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REPORT
of
The Saskatchewan
Reconstruction
Council



Legislative Building
Regina, Saskatchewan
Aug. 2, 1944

REGINA:
THOS. H. McCONICA, King's Printer
1944



P128

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Table of Contents

										PAGE
Saskatchewan Reconstruction Council										5
Letter of Transmittal										7
Part I	Introductory									9
Part II	General Analysis									11
Part III	Approach to the Problem of Reconstruction									14
Part IV	The Post-War Prospect									17
Part V	Agriculture									51
Part VI	Development of Natural Resources									89
Part VII	Communications									105
Part VIII	Development of Industries									113
Part IX	Power and Electrification									148
Part X	Social Services									153
Part XI	Health and Medical Services									167
Part XII	The Position of Labour									192
Part XIII	Education									196
Part XIV	Rehabilitation of Service Personnel									217
Part XV	Housing									228
Part XVI	Government Activities to Provide Social Services and to Prevent Unemployment									237
Part XVII	Constitutional Adjustments									263
Part XVIII	Summary of Recommendations									265



Appendices

- Appendix 1 Public Hearings—Organizations and Witnesses.
Technical Experts Examined by Council.
Lists of Organization and Individual Briefs.
- Appendix 2 Cross Indexing of Briefs Submitted to Council.
- Appendix 3 A Study of Crop Insurance—R. E. Motherwell, B.S.A.
- Appendix 4 Geology in the Post-War Period—Dr. J. B. Mawdsley.
- Appendix 5 Industrial Utilization of Farm Products—
Dr. L. E. Kirk **(Printed)**.
- Appendix 6 Some Facts and Observations on the Problem of
Maternal Mortality—Geo. Oliver.

SASKATCHEWAN RECONSTRUCTION COUNCIL

F. C. Cronkite, K.C.	Chairman
W. G. Baker	Member
J. G. Cooper	"
Mrs. W. K. Cruickshank	"
T. A. McCusker, M.B.E.	"
Wm. Walker, K.C.	"
J. H. Wesson	"
Geo. Oliver	Secretary

Hon. John H. Sturdy,

Minister of Reconstruction, Labour and Public Welfare,
Regina, Sask.

Sir:

I have the honour to hand you herewith a copy of the Report of the Saskatchewan Reconstruction Council for transmission to His Honour, the Lieutenant-Governor-in-Council.

I have the honour to be, Sir,

Your obedient servant,

F. C. CRONKITE,
Chairman.

Regina, Saskatchewan,
August 2, 1944.



Report of Saskatchewan Reconstruction Council

PART I. INTRODUCTORY

As the first step in formulating a co-ordinated post-war reconstruction and rehabilitation plan, the Legislature of Saskatchewan passed the Saskatchewan Reconstruction Council Act, Ch. 68, S.S. 1943, under which the Saskatchewan Reconstruction Council was created by Order-in-Council, October 20, 1943.

The members named to the Council were Dean F. C. Cronkite, M.A., LL.B., K.C., Saskatoon, chairman; W. G. Baker, M.L.A., Moose Jaw; J. G. Cooper, B.A., LL.B., Swift Current; Mrs. W. K. Cruickshank, Regina; T. A. McCusker, M.B.E., Regina; William Walker, K.C., Canora; and J. H. Wesson, Regina.

The statute (Section 3) instructs the Council to "study and investigate conditions and problems that are likely to arise during or after the conclusion of the war and shall consider, develop and recommend plans, policies and activities for the purpose of meeting such conditions and problems, and may confer with federal, provincial and municipal authorities, operators of industries, agriculturists, organizations of employers, organizations of employees, and any other bodies."

The first meeting of the Council was held on October 21, 1943, at which George Oliver, Secretary of Statistics, Department of Agriculture, was appointed secretary to the Council, and Mrs. Helen Tooth, B.A., (Sask.) was appointed research assistant.

At later meetings the Council obtained the services of the following specialists in various research fields: E. E. Eisenbauer, B.S.A., B.Sc., C. & I.E., Secretary Land Utilization Board, Department of Agriculture, as agricultural assistant; Dean L. E. Kirk, Ph.D., F.R.S.C., Dean of College of Agriculture, University of Saskatchewan, to investigate

the industrial utilization of farm products; Professor V. C. Fowke, Ph.D., Professor of Economics, University of Saskatchewan, as economic consultant; Professor J. B. Mawdsley, M.B.E., Ph.D., F.R.S.C., Department of Geology, University of Saskatchewan, to investigate the geological resources of Saskatchewan and their utilization; Professor W. G. Worcester, Cer.E., Ceramic Engineering Department, University of Saskatchewan; and David L. Kirk, B.A., as research reader in the field of health and social services.

In addition a group of younger graduates and students of the University of Saskatchewan have been engaged for varying periods of time as research readers to investigate different fields of research. There were eight young men and women in this group working on the problems of agriculture, industries, housing, social services, economic problems, education, and crop insurance measures. The Council has employed a stenographic staff of ten during the period of its most intensive work, as well as obtaining stenographic assistance from certain branches of the Public Service.

On the dissolution of the Saskatchewan Veterans' Rehabilitation Committee, of which Chief Justice W. M. Martin was chairman, Major J. F. McKay, secretary of that committee, was named director of local committees under the Reconstruction Council.

After a general consideration of the problem of reconstruction and rehabilitation in Saskatchewan, the Council addressed lists of specific questions to the deputy ministers and heads of departments of government, to obtain detailed information on any plans or projects that might be under consideration for the post-war period in those departments. The material requested has been

supplied and, in the main, to the complete satisfaction of the Council.

At the same time, as complete a list of organizations in this province, including urban and rural municipalities, as it was possible to compile was made and these organizations were contacted by circular letter. They were informed of the appointment of the Council and requested to submit any plans they might have discussed for the post-war period. There was a widespread and gratifying response to this request and the plans and recommendations made by organizations and individuals have been briefed, and cross-indexed under subject heading. This cross-indexing is appended to this Report as Appendix 2.

The Council held a series of meetings throughout the duration of its investigations at which technical witnesses in a wide variety of fields appeared. Thirty-seven experts presented material and were cross-examined by the Council in this period. A complete list of these technical witnesses and the subjects of their presentation is attached to the Report as part of Appendix 1.

In addition to requesting each organization which desired to do so to submit a written brief concerning post-war planning to the Council, it was felt by members that each of these groups should be given the opportunity of appearing in person before the Council and presenting their views orally. We are committed to the democratic way of life in this province, and the Council was firmly of the opinion that it was the democratic right of every organization,

group and individual within Saskatchewan to have a part in the formulation of the post-war plans of the province.

In order to provide this opportunity the Council held a series of 10 public hearings in the eight cities of the province and two of the larger towns. The first public hearing was in Saskatoon on January 19-22, at which 18 organizations and individuals presented briefs. The second was held in Moose Jaw on February 2 and 3 with 5 organizations appearing. The third was in Regina from March 7 to March 15 inclusive, and 33 organizations appeared before the Council.

It was then found necessary to divide the Council into two sections if the remainder of the localities requesting hearings were to be served. These two groups held separate hearings at Estevan on March 16, 5 presentations; Weyburn on March 17, 12 presentations; Swift Current on March 20 and 21, 8 presentations; Yorkton on March 21 and 22, 11 presentations; Melfort on March 23, 10 presentations; North Battleford on March 23 and 24, 16 presentations; and Prince Albert on March 24 and 25, 12 presentations. Nearly all of the organizations appearing were represented by sizable delegations who showed a wide range of knowledge on the subjects of their briefs. The Council received a great deal of valuable information from these public hearings and from the opportunity given to cross-examine the delegations.

The list of different organizations appearing at the public hearings is attached to the Report as part of Appendix 1. A complete stenographic record of the public hearings will be filed with the Report.

PART II.

GENERAL ANALYSIS

In Section 3 of The Saskatchewan Reconstruction Council Act, quoted above in Part I, certain directions were given to the Council regarding the investigation to be undertaken, and discussions took place at several sittings regarding the interpretation to be given to those instructions. It was concluded that the Statute, including Section 3, must be interpreted in the light of the office of governmental agencies in the life of human beings in society.

Then the question arose, what is the office of governmental agencies in society? In a Council of seven members it is inevitable that there should be some variation in details, both economic and political, but on the question of a fundamental morality for human beings in society there was no disagreement. The highest social morality in the opinion of the Council involves a recognition of the dignity of human beings or, as it is sometimes expressed, the infinite value of human beings. From such a concept it has been possible to work out certain generalizations as to the direction a reconstruction programme should take.

It may be stated that in the hundreds of submissions made to the Council there was nothing inconsistent with the general concept put forward above and indeed many briefs impliedly if not expressly were based on it. This is of some importance since the submissions represent a pretty good cross-section of the life of the province including a variety of economic, political and religious beliefs. This leads us to remark upon democracy or the democratic mode of life.

It seems to the Council that true democracy and the moral concept that has been referred to must be considered together, that in fact democracy is no more than the result of a belief in the infinite value of mankind. When the dignity of human beings has been recognized in society, it is inevitable that this dignity must be given expression—hence the spirit of democracy assumes form in representative institutions. Each human being will desire for himself a satisfactory life and the object of governmental agencies should be to assist him in obtaining the things which in his opinion are desirable. Indeed government in itself can only be justified as a human institution invented and developed by human beings for the satisfaction of human needs.

Having in mind this concept of government the material filed with the Council by groups and individuals should prove of great value. Not only does it reflect the desires of the people in terms of specific wants but it gives valuable suggestions regarding the realization of those wants in practice. From this evidence may also be drawn certain conclusions regarding the degree of interference on the part of governments and government officials which will be tolerable to citizens generally.

While there can be little doubt that the ideal of a satisfactory life for human beings is the foundation of democracy, its realization in practice is not easy, and if complete satisfaction for all human beings is being sought after it may fairly be assumed that it cannot be achieved. To begin with the fact that human beings are prepared to submit to civil government at all involves the confession that they cannot achieve the desired satisfactions by their own unaided individual efforts. The compromise between the desire for the expression of individuality and the need of assistance through organization takes the form of representative institutions in our democracy. But representative institutions necessarily function through majorities and these majorities may be very much out of touch with the detailed needs and desires of the people.

The opinions of human beings regarding the good or the satisfactory life show a tremendous variation in details both in spiritual and material things, and elections usually give little by way of instruction concerning majority desires. The electors in Saskatchewan in a general election can at best vote "yes" or "no" regarding certain general policies put forward by groups of political leaders, and these policies may have only a very superficial relationship to the actual desires of individuals. In fact municipal institutions come much closer to the lives of the people and for that reason in the opinion of the Council may be regarded as the foundation of democratic institutions. Yet even municipal councils and municipal officials in practice may be out of touch with the desires which the people themselves hold. This is a very important consideration when long-term plans are being envisaged, and will be referred to later on.

Despite what has been said above it has seemed evident to the Council that there

are certain general principles concerning which there is a unanimity of opinion among the people of this province, principles which are apparent in the hundreds of submissions which have been received. These principles are put forward as a democratic ideal based on the desires of the people. They are definitely not put forward as an invitation to any government to attempt to achieve them by arbitrary enactments or decrees. As representing ideals held by human beings but without expressing a hope for their immediate or complete realization and without expressing any opinion as to the immediate emphasis that should be given to any one of them, the ideals may be put under three heads.

- (1) Ample material goods for all.
- (2) Leisure — including cultural advantages and amusements not destructive to society as a whole.
- (3) A maximum of individual liberty.

As a world ideal the above comes very close to being expressed in the following quotation:

"The real objective must always be the good life for all of the people. International machinery will mean something to the common man throughout the world, only when it is translated into terms that he can understand: peace, bread, housing, clothing, education, good health, and above all, the right to walk with dignity on the World's great boulevards."

More specifically the object should be to secure for each human being through an opportunity for productive labour and the provision of social services, a standard of living reasonably warranted by our natural resources and technological knowledge, with special social services for the aged and handicapped, without undue restriction of leisure and cultural and educational advantages, and always permitting of a maximum of freedom.

This object is put forward as a social ideal but it is certainly not suggested that its achievement should be attempted through direct and immediate government control. Indeed the Council would most emphatically advise that extension of control, management, and ownership by governmental agencies should take place only after the most thorough and searching examination. This is stated most emphatically and attention is drawn to several considerations:

(1) Of the hundreds of submissions made to this Council, only two suggested a complete regimentation of the economy of the province or the nation and one of these admitted the unreadiness of the people for it.

Very rarely is any such suggestion met with in the public press or heard in private conversation. It may be safely concluded, therefore, that the people of Saskatchewan are definitely opposed to fascism or to any plan involving general socialization.

(2) The outstanding achievements of Russia during the past two or three decades should not be misinterpreted. The advance in that country, on the material side at any rate, has been perhaps without parallel in human history. This advance has been accompanied by severe regimentation of the lives of the people and the very definite intervention of governmental agencies, apparently with little protest by the citizens at any rate during more recent years. Several things, however, must be kept in mind in drawing parallels for use in this country. For one thing the Russian people had never enjoyed a condition of freedom in any way comparable to that of the Anglo-Saxon. Moreover, this regimentation was endured in the face of a pretty constant threat from the outside and it is well known that human beings will submerge their individualities in a mass effort in the face of a crisis. Finally, it may be doubted whether Russia with all her successes has achieved a standard of living for her citizens in any way comparable to that which we enjoy and have enjoyed. The end is not yet in Russia, one way or the other, but in the meantime it is submitted that her example should not be copied without a thorough appraisal of all the circumstances.

(3) It should be constantly kept in mind that people are often willing to forget other considerations on the spur of the moment at the prospect of material reward. This must have been the case in Germany and Italy. Whether in the case of choosing a dictator or a spouse people often act in haste and repent at leisure.

(4) It must not be forgotten that men in authority often confuse their ideas of what is good for human beings with the ideas of the people themselves. Such confusion of thought should not be made the excuse for undue extension of governmental activity not necessarily in accord with the real desires of the people concerned.

(5) There is a tendency for a wide extension of governmental power to develop into tyranny, bureaucratic or otherwise. This may become very serious, particularly if local municipal institutions are superseded by the senior governments.

(6) In general we must not forget that extensive participation by the government in the affairs of men means the substitution of arbitrary decrees in place of government under the rule of law which incorporates the considered thought of the community. In the opinion of the Council this should be avoided as far as possible.

(7) In so far as an extension of governmental activities may be rendered inevitable by the exigencies of the future it is submitted that this should be done as gradually as possible in order that the civil service may be expanded efficiently and not lose sight of the fundamental principles underlying the democratic mode of life.

Again, therefore, it is repeated that governmental activities should be extended only after serious consideration of possible implications involved. This warning is not to be construed, however, as relating to extensions of the social services. In the case of these services certain extensions will be

definitely recommended but it is believed that care should be taken not to do things for people that they can quite well do for themselves.

Indeed it seems to the Council that the crying need is for a recognition of individual responsibility in society and that every effort should be made to encourage it. Democracy needs no indoctrination—it rests upon a fundamental belief in the dignity of human beings. But citizens might well be warned that unless they prize their dignity themselves and are willing to work for it, almost inevitably they will become the victims of fascist tyranny.

PART III.

APPROACH TO THE PROBLEM OF RECONSTRUCTION

General

In Part II the position has been taken that actions conducing to satisfactory lives for human beings represent the highest in social morality. Hence the object before the Council has been to make Saskatchewan a more satisfactory place for human beings to live in. It will be noted that the object is not stated in terms of complete satisfaction.

Indeed it has appeared to the members of the Council that any hope of completely solving the economic and cultural problems of human beings through governmental measures is simply fantastic. It is true that an apparent solution might be obtained through a dictatorial regime so rigid that no human being would dare complain but that would be slavery, not society. It has seemed wiser, therefore, to think of reconstruction measures for a society of free-willing men and women and to recognize that through a long history frictions have constantly arisen in their attempts at social life. No member of the Council has expressed a belief in any final solution unless and until human nature has become quite different from what it is to-day among both the governing and the governed. And it is not anticipated that any educational programme will prove entirely effective within a reasonable time.

Nevertheless it is believed that Saskatchewan as a place in which to live may be and will be improved to a considerable degree. This will be accomplished through activities of government including municipal institutions, through the productive labour of the people of the province and by co-operation with other provinces and other countries. This Report will indicate some of the measures which in the opinion of the Council should be taken in order that the lives of the people of Saskatchewan may be enriched and made more satisfactory. Conforming to Section 3 of The Saskatchewan Reconstruction Council Act the problem has been divided into short-term and long-term phases of reconstruction and an attempt has been made to indicate what the picture is likely to be immediately after the war together with suggestions as to what may be done to prevent a crisis. The remaining sections of this Part will indicate the approach of the Council to the long-term problem of reconstruction in this province.

Constitutional Limitations

It should be pointed out with some emphasis that in the opinion of the Council it is quite beyond the realm of practical possibility that a satisfactory life for the people of Saskatchewan can be obtained merely through the exertions of the governmental agencies of the province. A satisfactory life demands among other things a standard of living reasonably comparable with that of other communities and it is obvious that this cannot be obtained in Saskatchewan if the economy of the province is to be developed on a self-sufficient basis. We have wealth, actual and potential, but it must be exchanged for the products of other communities if a satisfactory standard of living is to be achieved and maintained. If the economy of Saskatchewan were to be developed independently it might well be doubted whether any substantial number of persons would remain here at all.

But there are other limitations of a legal or constitutional nature. One of these is inherent in the concept of sovereignty itself. World society is divided into scores of groups claiming independence, absolute and complete. In matters of trade we are largely at the mercy of these groups for the reason that they may develop ideals quite foreign to co-operation with us or may even indulge in armed warfare, directly or indirectly involving us. We in Saskatchewan do not enjoy sovereign status in the international sense so our position is still further circumscribed by the fact that we are in large measure dependent on the rest of Canada in our negotiations with foreign states.

Then there is the constitutional position of Saskatchewan as one of the nine provinces of Canada. The union of these nine provinces is of the federal type in which legislative powers are distributed as between the central parliament of Canada on the one hand and the nine provincial parliaments on the other. There seems to be no reason to suppose that in the absence of a major political upheaval this situation will be changed for the regional traditions and philosophies are at least as strong in various parts of the Dominion as they were in 1867 at the time of Confederation.

Under the terms of the British North America Act the central parliament has leg-

islative jurisdiction over such important matters as trade and commerce, banking and the issue of money, patents and criminal law, and the treaty-making power is with the Dominion government. These powers are most important and are fundamental to a governmental control of the economy of the country. Since, therefore, a continuation of the federal form of government seems inevitable and since the central parliament is endowed and properly endowed with these fundamental powers it would seem sensible that the provinces should yield certain powers which will put the Dominion in a position to deal effectively with the general economy of Canada, and the Council will so recommend. Among the amendments suggested will be those calculated to give the Dominion parliament control over labour and labour relations, over wages and hours of labour, and over marketing.

This then is a distinct part of the approach of the Council to the problem of reconstruction, i. e. to secure that our governmental institutions are adequate to the task of government in a society which desires and demands economic security. There will be further recommendations looking to an adjustment of Dominion-Provincial fiscal relations so that the Province of Saskatchewan will be in a position to discharge her constitutional obligations up to a level of education and social services reasonably warranted by the economy of Canada. The principle upon which the Sirois Report was founded must not be abandoned.

In the matter of governmental machinery another recommendation will be made, the implementing of which is within the power of the legislature of the province. There is good reason to doubt whether the present municipal institutions of the province are well adapted for performing the functions of local government efficiently. Reference is made chiefly to the rural municipalities and school districts. A recommendation will be made that this question should be investigated at once by an independent committee. The object would be to get greater efficiency in local government without in any way impairing the democratic features of these fundamental institutions.

The Standard of Living

As has already been stated the objective should be in the direction of a high standard of living. This expression is in current use but the term satisfactory life for human beings probably conveys the meaning of the Council more accurately. It includes many things. It includes material things such as food and clothing, and comfortable and attractive housing. It includes the provision of electric power for the lighting of homes and the operation of household equipment, good roads and fine public buildings, and

opportunity for leisure and recreation. It includes education and cultural advantages. And it should include a maximum of personal freedom.

These things must be achieved as the result of productive labour. Many things will be purchased with the wages of labour and recommendations will be made concerning the reward of labour including constitutional adjustments necessary to that end. Other portions of the Report will deal with most of the matters usually thought of in connection with a satisfactory life. In many cases governmental action will be recommended.

The Social Services

The Council is of the opinion that social services must be dealt with comprehensively and must be greatly extended. This will involve an extension of the activities of government but there are many things to recommend such action. For one thing many of these services can be supplied much more effectively and efficiently by governmental than by private action. In the second place many persons will never get these satisfactions unless through government action, many through incapacity and many through poverty. Finally these services can be given without interfering with the private lives of the persons served. Giving these services is not interference with but enrichment of lives.

Nor has the Council any doubt of the capacity of the economy of this country to carry these enlarged social services. They simply must be paid for—in large part by taxation. The opinion is definitely expressed that Canada and all the provinces should co-operate in extending these services up to a thoroughly adequate standard. In the absence of this, recommendations are made regarding their extension in this province.

Development

In the preceding paragraphs an indication has been given regarding the part that may be played by governmental agencies in providing social services, in the control of marketing and in the regulation of various aspects of employment. It is considered that if certain constitutional amendments recommended in connection with these fields are implemented the governmental agencies will be in a position to deal effectively with employment problems and prevent any major dislocation of the economy of the Dominion and the province through unemployment. At the same time a standard of living will be achieved that the existing economy of the country reasonably warrants.

But it may be hoped that the economy of the province will be improved so that a

higher standard of living will be warranted. To that end definite recommendations will be made concerning the development of the resources of the province in which governmental agencies will have a definite part. This programme will be based on the stabilizing and development of agriculture, but will include the other natural resources of the province as well as the development of secondary industry.

Rehabilitation

The position of men and women now in active service on their return to civilian life has given much concern. It was considered that in the first instance the best way to ensure a satisfactory life for them was to ensure that the whole economy of the country is sound. To that extent the general problem of reconstruction and the special problem of the rehabilitation of ex-service personnel are inseparable.

In another sense, however, ex-service personnel deserve very special consideration. Many will come back to civilian life under special physical handicaps; practically everyone will be under the handicap of having had his education or his life work interrupted. This will in many cases operate to put the discharged person at a tremendous disadvantage.

The Council feels that it is the plain duty of governmental agencies and other organi-

zations and of the civilian population to see to it that as far as possible ex-service personnel and their dependents shall not be prejudiced in civilian life through the fact of enlistment and service in the armed forces. As a matter of elementary justice in conformity with the morality of democracy set out earlier in this Report, this should be done. The service personnel will not expect more but society should see to it that they get an even chance in civilian life.

With this ideal in mind several recommendations will be made touching rehabilitation although the legal responsibility is primarily on the Government of Canada. The suggested programme will involve a considerable expenditure but in this matter it is felt that the analysis given above cannot be impeached and that in carrying it out society can afford to be generous.

Conclusion

It is believed that the approach suggested above will do much to promote a more satisfactory life in this province particularly if the suggested co-operation with the rest of Canada is obtained. But it is not anticipated that such a programme will solve all social difficulties, and in particular there may be periods of considerable unemployment. In the opinion of the Council periods of mild depression are to be preferred to the alternative of dictatorial control.

PART IV.

THE POST-WAR PROSPECT

Few subjects have provoked more thought by the public than conditions that are likely to obtain in the post-war period. The large number of councils and committees set up to study the anticipated problems is indicative of the widespread interest and deep concern of the people about the future.

The Saskatchewan Reconstruction Council has approached its assignment with both the short-term and the long-term post-war prospect in mind, and while each presents its own special problems there is, in this province, actually no sharp line of demarcation between the two. The Council considers that efforts to bridge the period of transition from a war to a peace economy should, as far as practicable, be integrated with the long range programme of reconstruction for the province.

According to figures furnished to the Council about 72,000 Saskatchewan young men and women are serving in His Majesty's Forces and an additional number, estimated at 30,000 have left the province since the beginning of the war to enter industry elsewhere. While much will depend on the pattern demobilization takes, the problem of re-establishing those who will return to Saskatchewan may reach an acute stage, and it is not inconceivable, indeed there is some probability, that a crisis of serious proportions may develop unless adequate measures are instituted in advance to provide for employment opportunities during the period of readjustment.

While certain industries and commercial activities which have been operating under difficulties during the war due to greatly curtailed staffs, will, on the cessation of hostilities, be in a position immediately to absorb substantial numbers of workers, a certain time must elapse before other concerns are able to change from their war-time activities and resume their normal peacetime production. This will be particularly true in manufacturing plants where extensive and in many cases complete retooling will be required. It will be recognized by all reasonable people that in any such turn-over and re-direction of effort, perfection cannot be expected, and even with the best efforts of all a certain amount of temporary unem-

ployment will probably be inevitable, although this should not reach proportions with which social security legislation could not cope.

It is very difficult to make a complete analysis of the probable post-war employment situation on the basis of available statistics, but certain figures may be quoted to throw some light on the situation as it may develop. Mr. W. W. Dawson, Deputy Minister of the Department of Reconstruction, Labour and Public Welfare, estimates that approximately 30,000 people have left the province to seek employment elsewhere in the Dominion since the outbreak of the war. As indicated above, 72,000 Saskatchewan men and women are at present in the armed forces, some of whom, it must be remembered, were not in employment prior to their enlistment. It is hoped that those who enlisted from Saskatchewan will return to this province to make their homes, and while no doubt some of those who left to seek employment during the war emergency in other provinces will have become permanently established, it is probable that many will wish to return to Saskatchewan. The immediate problem would seem, therefore, to resolve itself into one of being prepared to re-absorb into the provincial economy a maximum of 100,000 Saskatchewan citizens and at the same time maintaining in employment all those presently in the province willing and able to work.

The Agricultural Situation

Opinions differ as to the manpower that farms will absorb in the post-war period. There is no doubt that the stress of the times through which they have passed has forced farmers to conduct their operations and still maintain a high level of production with less manpower than was previously thought possible. This, however, has been the result of necessity rather than desire and the young and aged have made a contribution far beyond what can and should normally be expected of them. Some interesting data on the ages of those gainfully occupied in agriculture are revealed by the following comparisons of the census results of 1931 and 1941.

NUMBER 16 YEARS AND OVER GAINFULLY OCCUPIED IN AGRICULTURE IN SASKATCHEWAN

(Not including those on active service at June 2, 1941)
(1931 and 1941 Census Figures)

Age Group	MALES		Inc. or Dec.	FEMALES		Inc. or Dec.
	1931	1941		1931	1941	
16-17	11,460	8,156		164	102	
18-19	13,254	10,517		156	127	
20-24	29,467	23,224		202	175	
25-34	42,761	39,459		235	221	
35-44	40,181	30,360		623	403	
45-54	35,056	32,442		945	828	
55-64	17,119	27,148		750	898	
65-69	4,554	6,907		252	232	
70 and over.....	3,412	4,003		224	160	
16-54	172,179	144,158	-28,021	2,325	1,856	-469
55-64	17,119	27,148	+10,029	750	898	+148
65 and over.....	7,966	10,910	+ 2,944	476	392	- 84
Total 16 and over.....	197,264	182,216	-15,048	3,551	3,146	-405

Expressed as percentages:						
16-54	87.3	79.1		65.5	59.0	
55-64	8.7	14.9		21.1	28.5	
65 and over.....	4.0	6.0		13.4	12.5	
Total 16 and over.....	100.0	100.0		100.0	100.0	

The decrease of 28,021 males 16 to 54 years and the increase of 12,973 in those approaching or having already reached retirement age hold special significance in appraising the capacity of Saskatchewan farms to absorb manpower. But this capacity cannot be judged alone in terms of apparent deficiencies in numbers presently engaged as there is no effective statistical measurement of the extra effort expended by those individuals who have remained on the farm.

A survey conducted on behalf of the Council by the Saskatchewan Association of Rural Municipalities suggested that 28,000 male and 11,400 female workers or a total of 39,400 could be absorbed on farms in the immediate post-war period of whom 50 per cent. would be required permanently. Mr. Dawson stated that in his opinion not more than 25,000 of those now away from the farm could be usefully absorbed in replacements for under and over age persons presently engaged on the farms. Increasing mechanization and new techniques certainly have made it possible to farm with less manpower but in view of the foregoing and the certainty that the farm manpower situation is today even more striking than revealed by the 1941 census, it would appear to the Council that to estimate that 40,000 will be re-absorbed on the farms in the immediate

post-war period would not be incompatible with the evidence. The expressed intention of Allied governments to assure freedom from want in the matter of foodstuffs and the commitment of the Dominion government to a policy of floor-prices should have a stabilizing effect on the farm economy, and if floors are placed at a sufficiently high level they should assist in the absorption and retention of farmers and farm workers in our basic industry.

Although dealt with more fully elsewhere attention should be called here to the re-establishment in agriculture of returned soldiers through the medium of the Veterans' Land Act. Considerable study has been given to this legislation and the Council is impressed with the soundness of its provisions but is deeply concerned lest its effectiveness be prejudiced by the inability to acquire suitable land in sufficient quantity to permit its potentialities being fully realized. It is accordingly recommended that every facility for acquiring land be placed at the disposal of the officers administering the Act and that this fundamental requirement be pursued with all possible vigour. In this connection the possibilities of opening up for settlement suitable areas of virgin land, in the preparation of which further employment opportunities would be made available, should be fully explored.

Non-Agricultural Activities

In the field of non-agricultural activities similar trends to those for agriculture are revealed in the case of male workers. The situation with respect to the female gain-

fully employed in industry however shows a somewhat different picture, with an increase recorded in the age groups 16-54 years. The following tables set out in detail comparable figures for non-agricultural gainfully employed in Saskatchewan.

NUMBER 16 YEARS AND OVER GAINFULLY OCCUPIED IN NON-AGRICULTURAL ACTIVITIES IN SASKATCHEWAN

(Not including those on active service at June 2, 1941)
(1931 and 1941 Census Figures)

Age Group	MALES			FEMALES		
	1931	1941	Inc. or Dec.	1931	1941	Inc. or Dec.
16-17	1,643	1,096		2,197	1,938	
18-19	3,446	2,300		4,675	4,710	
20-24	12,294	7,582		12,297	13,740	
25-34	25,689	20,937		7,569	10,962	
35-44	26,338	18,843		3,290	3,487	
45-54	20,352	19,983		2,178	2,440	
55-64	8,037	14,298		972	1,493	
65-69	1,600	2,575		235	310	
70 and over.....	936	1,150		151	209	
16-54	89,762	70,741	-19,021	32,206	37,277	+5,071
55-64	8,037	14,298	+ 6,261	972	1,493	+ 521
65 and over.....	2,536	3,725	+ 1,189	386	519	+ 133
Total 16 and over.....	100,335	88,764	-11,571	33,564	39,289	+5,725
Expressed as percentages:						
16-54	89.5	79.7		96.0	94.9	
55-64	8.0	16.1		2.9	3.8	
65 and over.....	2.5	4.2		1.1	1.3	
Total 16 and over.....	100.0	100.0		100.0	100.0	

Again the extent to which male workers at or approaching the retirement age are continuing in gainful employment as compared with a decade ago is quite marked and the decrease (19,021) in the number between 16 and 54 inclusive will be noted. No doubt demobilization and the greater availability of labour consequent thereon will come as a welcome relief to a very large proportion of these elderly workers whom sheer necessity has kept in the ranks of the gainfully employed.

It is pertinent to any analysis of normal employment opportunities to note that of the 72,000 Saskatchewan men and women in the armed services over 50,000 entered His Majesty's Forces since June 1, 1941, the date on which the foregoing census enumerations were recorded. Consequently it seems certain that were a tabulation made today a further proportionate shift would be re-

vealed into the more advanced age groups and a further net deficiency of male workers would be noted. It is also safe to assume that a greater number of female workers would be found to have entered the class of the non-agricultural gainfully occupied, not all of whom will expect or wish to continue in that employment after the war.

Industrial Employment Surveys

Recognizing the prime importance of private industry in the post-war employment situation the Reconstruction Council and the Provincial Bureau of Labour, in co-operation, conducted a survey of industrial concerns coming under the provisions of The Workmen's Compensation Act for the purpose of indicating possible employment trends. The results have been compiled in the following table.

PRESENT AND POST-WAR EMPLOYMENT SURVEY PROVINCE OF SASKATCHEWAN

(Reports of 1,289 firms representing 42 industries showing present and expected post-war employment)

	Present	Post-War	Inc. or Dec.	% Inc. or Dec.
Clerical:				
Male	2,850	3,238	388	13.6
Female	2,011	1,843	-168	- 8.4
Skilled Labour:				
Male	9,282	10,853	1,571	16.9
Female	1,243	1,140	-103	- 8.3
Unskilled Labour:				
Male	5,753	7,198	1,445	25.1
Female	912	702	-210	-23.0
TOTALS:				
Male	17,885	21,289	3,404	19.0
Female	4,166	3,685	-481	-11.5

The Following Shows the Results of the Survey Covering 343 Garages and Service Stations

	Present	Post-War	Inc. or Dec.	% Inc. or Dec.
Clerical:				
Male	340	401	61	17.9
Female	98	122	24	24.5
Skilled Labour:				
Male	734	1,250	516	70.3
Female	6	8	2	33.3
Unskilled Labour:				
Male	318	539	221	69.5
Female	19	24	5	26.3
TOTALS:				
Male	1,392	2,190	798	57.3
Female	123	154	31	25.2

Of particular interest are the results of the survey as related to garages. Mechanics are greatly in demand at the present time and the survey indicates that there will be an increase of about 57 per cent. in male employment in this field in the post-war period assuming the sample is a fair cross section.

The Saskatoon Rehabilitation Council made an independent survey of 19 garages and filling stations. Their present staff numbered 122 as compared with the pre-war peak employment of 289. 36 additional employees are required immediately, mostly trained mechanics, and it was anticipated that their post-war staff would total 254.

It should be observed that the surveys do not reflect additional employment opportunities consequent upon the establishment

of new businesses, which war-time regulations have restricted.

Many men in the armed forces have received excellent mechanical training and with the maintenance of a reasonable measure of prosperity many immediate openings will be available for them.

The Regina Reconstruction and Rehabilitation Committee conducted a survey to determine the possible post-war employment situation and intentions of citizens to purchase goods and services in the post-war period and thereby create employment opportunities either directly or indirectly. The results of the first portion of their survey are not yet available but the extent of prospective purchasing in the two-year period following the war has been estimated as follows:

Estimated Expenditure by Regina Citizens in Post-War Period

No. of Families	What They Intend to Do	Amount They Expect to Spend
1,400	Build a House.....	\$ 5,557,000
1,390	Buy a House.....	4,286,200
2,036	House Repairs and Remodelling.....	740,200
3,038	House Painting and Decorating.....	439,476
1,142	Build a Garage.....	243,710
734	Install Plumbing.....	189,300
1,304	Install Furnace, Stoker, Oil Burner.....	387,150
1,038	Other Expenditure on House.....	187,658
3,858	Buy Furniture.....	1,240,080
2,592	Buy Radio.....	329,470
964	Buy Piano.....	264,480
776	Buy Other Furnishings.....	113,710
742	Buy Coal Stove.....	69,846
1,594	Buy Electric Stove.....	258,520
2,000	Buy Vacuum Cleaner.....	150,012
1,338	Buy Sewing Machines.....	114,614
2,888	Buy Refrigerator.....	537,300
1,708	Buy Other Electrical Appliances.....	131,426
3,608	Buy Car.....	3,384,590
994	Repairs to Car.....	72,688
288	Buy Radio for Car.....	14,514
1,506	Buy Tires for Car.....	111,194
184	Buy Heater for Car.....	5,460
1,878	Buy Garden Equipment.....	54,960
740	Miscellaneous Purchases.....	190,772
		\$19,074,330

Number of Household Workers required: 816

With the exception of the item concerning purchases of existing houses, all of the above expenditures will create employment to some extent either in the province or elsewhere.

It is interesting to note that these figures represent private spending mainly to compensate for the backlog resulting from war-time shortages, and do not by any means reflect total private spendings. The City of Regina outlined a public works and improvements programme of \$16,752,590, an impressive total even when spread over a ten year period, but the importance of private spending, as revealed in the survey above, is clearly indicated by contrast.

The Nipawin Board of Trade made a canvass of forty-four business firms in the Town of Nipawin to obtain present and post-war employment figures. Their survey revealed that 153 were presently employed which would be increased by 119 in the post-war period. Forty-three firms stated they were planning additions or replacements to buildings at an estimated cost of \$188,900; while thirty-seven expressed the intention to make further investments in plant and equipment to the extent of \$82,200.

The President of the Saskatchewan Lumber Producers Association advised the Council that "The lumber industry in the Nipawin District offers a good opportunity

to provide employment for 1,000 to 1,500 men for the winter months in logging camps and saw mills, and from 300 to 400 men throughout the summer months planing. This will depend no doubt, on the housing programme put forward and export market absorbing the lumber so produced."

At the public hearing at Prince Albert Mr. R. Mayson, President and General Manager of the M. & C. Aviation Co. Ltd., stated in a brief that their staff had grown from 12 in pre-war days to about 600 at the present time. A staff of 8 is now employed in Air Transportation Work, which was the foundation of the business and 596 (401 male and 195 female) in their Aircraft Repair Division. The company made a survey of their staff in March last and contacted 533 out of the total employed at that time of 604. 509 stated they intended to work after the war of whom 481 expressed their desire to continue in the employ of the company. Of the 509 employees, 203 were from Prince Albert and 306 from outside points. The ability of this company to maintain in its employ those wishing to stay and to absorb those of the 250 to 300 who left to join the armed services who desire to return, will depend upon the acquisition at a reasonable sum of present Government owned equipment, and plant conversion to peace-time production and upon opportunities for the peace-time utilization of the new

services which this company is confident it can perform. The Council particularly recommends to the consideration of the government the company's suggestion, "that the Provincial Government make a detailed survey of all war plants in the Province. This survey would cover the feasibility of conversion of these war plants to the manufacturing of peace-time goods". The Council commends the M. & C. Aviation Co. Ltd. for their brief and feels that it is a distinct contribution on behalf of the welfare of the employees not only of their own company but of other war-time industries and activities in the province.

The Saskatchewan Wholesale Implement Association made a survey through its members and computed "the number of new employees likely to be required by Member Companies and Their Dealers at the termination of the war and the resumption of full production of farm machinery" as follows:

Service Men	403
Bookkeepers	89
Salesmen	141
Repair Parts Men.....	144
Any Other Capacity.....	233
TOTAL	1,010

In the opinion of the Council, surveys, of which the foregoing are examples, should be encouraged and the results made available to the Reconstruction Branch.

Professional Services

In a brief presented by the Saskatchewan Pharmaceutical Association it was stated that since the outbreak of the war 112 qualified pharmacists and 120 registered apprentices have joined the services resulting in the closing of 55 drug stores located in villages and 11 elsewhere, with a further loss of drug stores inevitable due to lack of sufficient pharmacists in training to meet normal replacements. Thus there is now an urgent need for qualified men in this field, a need which according to the Association "will extend into the post-war period".

The College of Dental Surgeons of Saskatchewan express the belief that all of their members now serving in the armed forces could be fully employed on return to civilian practice "providing a reasonable income level is maintained within the province. With this removal of the economic factor, many more would be required to give the necessary services". A recent communication indicates that of the 209 practising dentists in the province at the outbreak of war 64 are in the armed services.

Information received from the Saskatchewan Registered Nurses Association indicated that while at the time of registration by

the National Selective Service in March 1943 there were 2,901 registered and graduate nurses in Saskatchewan, this figure included all up to the age of 65 years, exclusive of 138 who had enlisted up to that date. The number of persons per practising nurse was given as 987 which, based on the 1941 population figure of 895,992 indicates that there were at that time 908 practising nurses. The number of practising nurses plus non-practising available nurses was given as 1.23 per 1,000 population which implies a total of 1,102 nurses in practice or available.

The Council has been informed that there are now 161 Saskatchewan nurses in the Royal Canadian Army Medical Corps alone and in the past few months the call-up of nurses who have applied for enlistment has been increased.

The Nurses' Association further states that the standard most generally accepted for estimating number of nurses needed to give adequate nursing service is that recommended in "Committee on Costs of Medical Care", U.S.A., 1932. This standard gives 220 nurses per 100,000 population. They point out that at this rate Saskatchewan would need approximately 1,980 nurses. The present shortage of nurses in Saskatchewan is well known, and to provide adequately for this service, there is a large field for employment, not only for those nurses returning from the armed services but for others entering the profession.

The Saskatchewan College of Physicians and Surgeons advised the Council that the present number of doctors practising in Saskatchewan plus those expected back from the armed services would be insufficient to meet the needs of a complete Health Insurance programme.

The Saskatchewan Optometric Association informed the Council that there are 50 optometrists fairly well distributed over the province. In addition they estimated that there are about 50 medical refractionists or a total of 100 practitioners administering to the visual needs of the people. The Association suggested that in order to take care of this branch of health service with reasonable adequacy 200 to 250 optometrists and medical refractionists would be required.

The Saskatchewan Association of Chiropodists referred in their brief to the fact that their profession was not overcrowded and while the Association warned against permitting any but those who became qualified to practise, there would appear to be opportunities for fully trained practitioners.

From the standpoint of professional personnel in the health field there would appear to be no problem except that of obtaining sufficient numbers to meet the needs of Saskatchewan citizens in the post-war period.

Some General Considerations

In most instances the foregoing surveys and submissions present an encouraging picture as far as their respective fields are concerned. It is not possible, however, to present a complete balance-sheet at this time of the prospective post-war employment situation and indeed its value would be somewhat problematical in view of the many influences thereon of circumstances which are as yet quite unpredictable.

A high level of employment in this province is dependent upon the healthy condition of agriculture. It is in the highest degree desirable that as many as possible should, on demobilization or release from war industry, be permanently re-established as soon as possible, rather than rely on the temporary employment which works projects will provide. For this reason the Council cannot urge too strongly the most immediate institution of those recommendations, appearing elsewhere in this Report, having as their object the long range economic betterment of the province.

Recognizing that in all probability there will be substantial numbers for whom gainful employment in the immediate post-war period must at least be guaranteed, it appears to the Council that the important point for governments to consider is the provision of carefully laid plans which may be instituted immediately there is a need to absorb any temporary unemployment whenever it may occur. Many briefs were received by the Council advocating public works programmes of a wide variety to relieve such a situation which, it was feared, might develop after the war.

It may be well at this point to stress some of the limitations which are inherent in any public works programme, and some factors which are particularly applicable to Saskatchewan. Attention is called to comments appearing in Part XVI of this Report in which it is pointed out that even "full employment" envisions a certain amount of idleness, and wherein it is stressed that public works programmes cannot in themselves provide full employment. The following comment is pertinent—"Government spending is of necessity concentrated within a narrow range of activity and may appear to be of startling proportions, while at the same time being wholly inadequate to compensate for the lack of private spending". Thus it is apparent that an element of supreme importance in the post-war employment picture will be the extent to which normal functions of business are in a position to flourish, which in turn, particularly in a province such as Saskatchewan, will depend upon a healthy condition of international trade. Public works projects, as such, can only provide a partial solution for a problem of temporary disruption and assist

in relieving to some degree any recurrent periods of depressed industrial activity.

It seems a fair statement to make, however, that in Saskatchewan a well planned programme of public works in the post-war period offers more than normal scope for the alleviation of any temporary unemployment which may occur. Prior to the war, Saskatchewan passed through a decade during which relatively little new construction was possible, and existing facilities deteriorated and normal maintenance was of necessity neglected. The demands for necessary services, however, were not static and consequently there will exist in the post-war period opportunities for overcoming a backlog of needed buildings and projects of a sufficiently wide variety to call for the talents of all classes of labour.

It must be remembered, however, that the ability of the province and the municipalities to engage in a works programme is extremely limited. The Council is impressed with the utter impossibility of any substantial reconstruction projects being undertaken as a provincial responsibility under the present Dominion-Provincial fiscal arrangements.

In terms of obtaining the greatest value for the money spent and in the implications of the democratic way of life, local autonomy is infinitely to be preferred to any programme involving central direction and control. The Council is unanimous in the view that local self-government is the basis of the democratic system and that the provincial authorities, and in turn the municipalities, must be placed in a position to assume the full functions of local self-government if that democracy is to be anything more than a name. Well planned and carefully maintained public facilities serving the local needs are visible evidence of democracy in action and it seems to the Council essential that the provincial and municipal governments should be placed in a financial position where they can discharge their obligations. Failure in this respect will present not a limitation, but an insuperable obstacle to reconstruction.

In the planning of post-war works programmes the Council considers that several basic principles should be observed. In the first place it seems necessary that Dominion, provincial and municipal co-operation and co-ordination should exist. This would not only facilitate the efficient execution of the plans and projects involving joint action either in financing or actual construction, but should, through a suitable co-ordinating agency, provide full information on the labour requirements and assist in utilizing the available labour supply to the best advantage of all concerned. It is suggested that the Reconstruction and Labour Branches of the newly formed Department of Reconstruction, Labour and Public Wel-

fare might undertake this co-ordination on behalf of the province, and that the Dominion Government, the Urban Municipalities Association, the Saskatchewan Association of Rural Municipalities and organized labour be represented on a joint advisory committee.

Another essential requirement is that the proposed projects should be necessary for the well-being of the community and not built purely for the purpose of providing work which might be done more efficiently by other means or at other times, and further that such projects should as far as possible be the starting point of long-time reconstruction plans. The programme should be regarded as an opportunity to get needed work performed when labour is available to the mutual advantage of both employer and employee, and not as a substitute for normal employment or in competition therewith. There are important economic factors involved and in this connection attention is directed to Part XVI.

The Council has been favourably impressed with the initiative and foresight shown by many communities whose representatives appeared at the public hearings and as expressed in written briefs. An example of such initiative and enterprise exists in the case of the Town of Cabri. Their representatives informed Council at its Swift Current public hearings that they had been setting aside a small sum of money each year since the beginning of the war to be devoted to a programme of improvements which would create employment opportunities on the return of their citizens who enlisted in His Majesty's Forces. Several communities have made similar provision and it was specifically recommended by the representatives of the City of Regina appearing at the public hearings in that city that the City Act be amended to permit setting up a special fund ear-marked for the purpose of reconstruction. The Council feels that this is worthy of consideration by the Government not only with the immediate post-war prospect in view but in order that communities may make provision over a period of years for funds with which to inaugurate works programmes should circumstances in the future call for them. Many briefs also stressed the need for long-term credits at low interest rates in order that projects might be financed without increasing materially the burden now being borne. The Council recommends that such assistance be made available.

Town planning and beautification were referred to in many of the presentations and it is felt that consideration should be given to the creation of some agency of government or the expansion and co-ordination of existing services to provide advice and some measure of technical assistance to communities in their town planning problems, using that term in its broadest sense. It has been

contended that the present Town Planning Act is too inflexible in its provisions for town planning "schemes", and that as a result it has not been as effective an instrument in encouraging well planned communities as had been expected. It is the opinion of the Council that beneficial results would accrue to municipalities by an expansion of the services of the Municipal Planning Branch of the Department of Municipal Affairs and the Sanitation Division of the Department of Public Health. It is believed that the former should foster and encourage local interest in community improvement by providing information and educational material and that the Branch should be adequately equipped to render advice and a certain amount of technical assistance to communities in their town planning problems. Local town planning committees should be active in every community. Their efforts would not only yield rich dividends to the residents of their communities but would make Saskatchewan a more attractive province to the tourist.

The Council also considers that scope for an important service to the small centres of population lies in the extension of the work presently undertaken by the Division of Sanitation of the Department of Public Health. There are two phases involved in such work, that of inspection and that of sanitary or public health engineering. It is in connection with the latter phase that the Council wishes to express an opinion in this section. There is some question of just where the line should be drawn between the technical services rendered by a governmental department and those which should be supplied by private engineers. In view of the health problems involved and the great boon to the people of properly designed water and sewage systems, however, it appears to the Council that the Division should be staffed to give leadership and some measure of assistance in planning and arriving at preliminary estimates of costs of suitable systems to provide these facilities. It is probably true that in most instances unless the government makes certain services available they are not likely to be obtained elsewhere.

The Council also feels that there is a strong argument in favour of close co-ordination if not actual amalgamation of technical services presently available to municipalities, or contemplated herein, and recommends consideration of this matter by the government.

Another point with which the Council has been considerably impressed, mentioned in several briefs and more specifically in the submission by Mr. G. C. Thomson of Swift Current is that of "amenities". In the erection of public buildings and projects of various kinds, care should be given to their location in order to enhance rather than de-

tract from their surroundings. In most cases utility is not prejudiced by attention to such details. This is frequently lost sight of and the result is a permanent "eye-sore" to the community.

In the matter of buildings particularly, considerations of climate and other natural features of the province suggest that the greatest use should be made of local architects and technicians in the design, specifications and execution of works programmes. These men have the advantage of experience with the particular problems which arise, and their advice will be of special value in meeting these problems. Representations made to the Council by the Saskatchewan Association of Architects and the Saskatchewan Branch of the Engineering Institute of Canada stressed very strongly the need for preparing detailed plans well in advance of the time anticipated for their execution. In this regard the Council considers that immediate action should be taken to assure that technical personnel now in the armed forces be made available for this purpose as soon as they can be spared from their military duties, and well in advance of any substantial demobilization.

The programmes of immediate public works, submitted by cities, towns, villages, rural municipalities and the Provincial Government and miscellaneous proposals for employment creating projects are outlined on the following pages, with special reference to the labour requirements involved. In the aggregate the projects reach a most impressive total. The immediate work created by such a programme, however, great as it is, cannot possibly have the lasting effects that would follow the removal of those fundamental disadvantages under which the province has laboured in the past; or the completion of those long range projects from which continuing benefit will emanate.

The Cities' Programmes

Public hearings were held in each of the eight cities in the province and city administrators either directly or in co-operation with local committees, presented briefs to the Council outlining their post-war construction plans. The main details of these submissions are summarized below. In addition several city briefs made reference to other desirable projects which would be of value to their communities.

City of Regina

The City of Regina presented a three-part programme of works projects to be undertaken in the interest of its citizens. At the time of its presentation to Council it was pointed out that it was not wholly complete as to detail nor had all items reached the blueprint stage. The preparatory work was

being carried through as quickly as possible in order to ensure the greatest degree of preparedness being achieved but shortage of staff and technical assistance had caused delays. The programme is divided into three sections as follows:—

"A" Works controlled by the Municipality, or other city bodies which may be financed by the City and/or other citizen bodies or both or which may be undertaken with partial assistance,

"B" Works affecting City's welfare, but which are not under its direct control.

"C" Works which are beyond the City's immediate financial means to undertake during the term of this programme.

Post-War Reconstruction Programme

"A"

Project	Total Cost
Street Paving—Walks, Blvds.....	\$ 1,400,000
Asph. Oil & Gravel 6" stab. base	479,000
Gravel Roads	57,000
Rehabilitation Pkts. & Sidewalks	399,000
Sewers—Domestic	124,500
Sewers—Lakeview Trunk	256,000
Sewers—Storm	170,500
Works and Cleansing Equipment	207,600

Waterworks—

Replacement Dead End Mains	10,440
Circulation	45,490
Extension Mains	110,930
Public Taps	4,030
Boggy Creek Pressure Mains....	30,150
Waterworks Misc.	247,900
Sewage Purification Plant — Extension & Rehabilitation	370,000

City Buildings—

New City Hall.....	300,000
Health Centre	50,000
Natatorium	150,000
Comfort Stations	75,000
Auditorium	300,000

Parks—

Wascana Valley Improvement..	400,000
City Parks	150,000
King's Park	50,000
Equipment	32,000
New Cemetery	50,000
Nursery	21,000
Tourist Camp	70,000

Light and Power—

System Extension and Change	137,600
Bldgs. and Equipment.....	24,800
New Boiler	225,000

Street Railway—Change over to

Trolley Bus System.....	342,000
Fire Dept.—New Equipment.....	60,000

Subways—

Elphinstone and C.P.R.....	180,000
Pasqua and C.P.R.....	150,000

Bridges—Elphinstone and Was-	
cana Creek	40,000
City Garage	80,000
New Incinerator	120,000
Disposal Grounds	35,000

TOTAL \$ 6,954,940

"B"

Library Extensions	\$ 50,000
Hospital Extensions	550,000

TOTAL \$ 600,000

"C"**Project****Total Cost**

Sask. River Water Supply.....	\$ 8,947,650
Re-subdivision and Street Widen-	
ing	250,000

TOTAL \$ 9,197,650

GRAND TOTAL \$16,752,590

The above programme covers a ten year period following the cessation of the war, the distribution of costs being as shown below:—

	Programme "A"	Programme "B"	Programme "C"	Total
1st year	\$1,246,090	\$550,000	\$ 947,650	\$ 2,743,740
2nd year	844,980	50,000	2,000,000	2,894,980
3rd year	862,770	.....	2,000,000	2,862,770
4th year	835,600	.....	2,000,000	2,835,600
5th year	914,100	.....	2,000,000	2,914,100
6th year	689,100	.....	50,000	739,100
7th year	662,100	.....	50,000	712,100
8th year	324,200	.....	50,000	374,200
9th year	319,200	.....	50,000	369,200
10th year	256,800	.....	50,000	306,800
TOTAL	\$6,954,940	\$600,000	\$9,197,650	\$16,752,590
Material	\$4,286,390	\$360,000	\$6,860,750	\$11,507,140
Labour	\$2,668,550	\$240,000	\$2,336,900	\$ 5,245,450
Man Hours	4,747,972	372,200	3,262,870	8,383,042

The total labour requirements in terms of man days of 8 hours would be 1,047,880.

In addition to the above the City suggests rerouting railway lines entering the city, the cost of this project being estimated at \$475,000 of which \$285,000 would be for materials and \$190,000 for labour, providing 332,500 man hours or 41,562 man days of work.

City of Saskatoon

The following programme of public works was outlined to the Council at the public hearing in Saskatoon and is "predicated on the assumption that the Dominion Government will bear a substantial share of the cost as a rehabilitation and reconstruction measure and will also finance the city's share of the cost of those projects at a very low rate of interest".

Project	Cost
(a) Construction of a New City Hall	\$ 400,000
(b) Extension of Nurses' Residence, City Hospital.....	200,000
(c) Sewage Disposal Plant.....	200,000

(d) Concrete Sidewalks	\$ 100,000
(e) Street Paving	250,000
(f) Extensions of Sewer and Water Mains	300,000
(g) Electrical Sub-station	35,000
(h) Storm Sewers	200,000
(i) Fire Dept. Equipment and Fire Alarm System.....	100,000
(j) Park and River Bank Improvements	200,000
(k) Improved Access Between East and West Sides of City..	85,000
(l) Clear Water Reservoir.....	200,000
(m) Short Hill Improvements.....	15,000
(n) Installation of Plumbing in Non-modern Dwellings—	
640 Sewer and Water Connections	70,000
240 4-fixture Jobs	80,000
400 2-fixture Jobs	60,000
Improvements & Extensions to Electrical Distribution System	100,000
(p) Natatorium	150,000
TOTAL	\$2,745,000

Assuming these projects represent 55 per cent. materials and 45 per cent labour the distribution would be as follows:

Material	\$1,509,750
Labour	1,235,250

The number of man days (@ \$5.00 per day) would be 247,050.

In addition, a grade separation project has been suggested costing \$500,000 on the assumption that the railway companies would bear a substantial share of the cost. The labour costs would probably represent about \$225,000 of the total or 45,000 man days. The Saskatoon brief also stated that the construction of natural gas mains to Saskatoon together with the necessary distribution system, connections and service should and no doubt will be done after the war. The cost is estimated at \$4,500,000 which on the basis of 45 per cent. labour would provide a payroll of \$2,025,000 or 405,000 man days.

City of Moose Jaw

The programme of public works projects presented by the City of Moose Jaw was introduced by their representative in the following words: "It is not possible that the

City will be able to finance many parts of the programme proposed, owing to its poor financial situation resulting from the many bad years it has passed through; and it is possible that the programme of necessary Public Works may be larger than other cities of similar size for a similar reason. As the result of deferring and postponing repairs, replacements and new works for many years, the City has accumulated a reserve, of which \$400,000.00 could be used to help finance its post-war programme. This would require the consent of the Local Government Board. Taxes cannot be raised to finance these works, so the City Council's Committee submits the programme with the hope that the recommendation of the National Advisory Committee on Reconstruction to Parliament, 'that provision be made for work projects to the total value of a billion dollars to provide employment in the first year after the end of the war; these works would be federal, provincial and municipal and the cost of the latter would undoubtedly be partly borne by the Dominion and the Province', will become Government policy; and that the following necessary works will be considered as essential parts of the greater Programme for Rehabilitation and Reconstruction."

Moose Jaw's programme is shown in the following table:

Project	Total Cost	Material	Labour	Man Hours
City Hall	\$ 150,000.00	\$ 60,000.00	\$ 90,000.00	150,000
Building and Modernization Scheme	500,000.00	200,000.00	300,000.00	500,000
Park Development	237,400.00	75,500.00	161,900.00	269,833
Hospital Accommodation	200,000.00	80,000.00	120,000.00	200,000
Schools	173,000.00	70,000.00	103,000.00	173,000
Replacement and Repair of Engineering Works	1,385,532.00	554,212.80	831,319.20	1,385,532
Lighting System	125,000.00	50,000.00	75,000.00	125,000
TOTALS	\$2,770,932.00	\$1,089,712.80	\$1,681,219.20	2,803,365

Converting labour estimates from man hours to man days on basis of 8 hour day would indicate that the programme would provide 350,421 man days of work.

Moose Jaw's brief also referred to the need for obtaining a visible water supply for the City. The Riverhurst project was outlined by the Moose Jaw Board of Trade and was also included in the submission made by the City of Regina. The Council is impressed with the need for assuring to these

two cities a visible supply of water adequate for their present and potential requirements and recommends thorough review of the whole question.

City of Prince Albert

Prince Albert presented a five year plan of works projects totalling slightly over one million dollars. Details follow:

Project	Total Cost	Material	Labour
Watermain Extensions	\$ 75,000	\$ 43,750	\$ 31,250
Sanitary Sewer Extensions.....	57,000	17,100	39,900
Completion of Sedimentation Basin.....	1,000	400	600
Water Pumps	5,000	4,000	1,000
Chlorinator	4,000	3,700	300
Sewage Pumping Stations Machinery.....	20,000	18,000	2,000
Storm Sewer Construction.....	150,000	70,000	80,000
Sewage Disposal Works Site and Outlet to River.	120,000	60,000	60,000
Street Paving and Equipment.....	225,000	125,000	100,000
Street Improvements	100,000	50,000	50,000
River Bank Improvements and Park Improvements	15,000	3,500	11,500
Gymnasium and Swimming Pool.....	50,000	25,000	25,000
Swimming Pool	15,000	7,500	7,500
Incinerator	40,000	30,000	10,000
Improvements and Extensions to Fire Alarm System	10,000	8,000	2,000
Material Yards, Stores and Buildings.....	20,000	10,000	10,000
Sidewalks, Curbs and Boulevards.....	40,000	20,000	20,000
City Hall and Library.....	100,000	50,000	50,000
TOTALS	\$1,047,000	\$545,950	\$501,050

The yearly distribution of the programme together with the number of man days of work provided is shown below:

Year	Total Cost	Man Days of Labour
1st year	\$ 270,400	25,372
2nd year	206,400	24,045
3rd year	198,400	22,238
4th year	175,400	19,865
5th year	196,400	21,021
TOTALS	\$1,047,000	112,541

The Prince Albert brief states that "In regard to financing, with the present state of the City of Prince Albert's finances, this work cannot be undertaken, but if the present negotiations with our Bondholders terminate favourably and if money can be secured at 2% under the same condition as previously obtained from the Dominion Government, these projects as outlined could be carried."

Prince Albert referred to the need for additional housing accommodation at an estimated cost of \$1,400,000. Representations were also made respecting the further improvement of the airport including the provision of hard surface runways by the Dominion Government. The Council's attention was called to the employment possibilities in the completion of railway terminal facilities, including a new station.

Mention was made of four additional projects, estimated to cost \$1,100,000 which the

city stated were badly needed but which, it was proposed, should be undertaken by the Government.

1. Reconstruction of the dam across North Saskatchewan River at the Airport so that pontoon equipped planes could use the river with safety.

2. Seaplane Base providing dockage facilities on the river bank.

3. River Protection Works—extension of concrete protection wall.

4. Traffic bridge across North Saskatchewan River at Prince Albert—needed to accommodate increasing traffic.

The above projects for which estimates are given would total an additional \$2,500,000. Assuming 45 per cent. labour costs the distribution would be as follows:

Material	\$1,375,000
Labour	1,125,000
Man days of work at \$5.00 per day	225,000

City of Weyburn

A programme of post-war construction projects was presented by the City at the public hearing held at Weyburn. The civic plans call for improvements to water works, public works, and light and power facilities. The City would require considerable government assistance in carrying out its plans.

Project	Total Cost	Material	Labour
A. Waterworks:			
(1) Improving Conversion Canal off Souris River	\$ 1,200	\$ 700	\$ 500
(2) Drilling Wells and Prospecting New Wells	12,000*	.....	12,000*
(3) Replacing Cast Iron Pipes with New Pipe Now on Hand.....	5,231*	.....	5,231*
(4) Installing Cross Connections.....	1,400	800	600
(5) Providing for Connections from Well Site to Mental Hospital.....	14,300	9,300	5,000
(6) Cleaning Water Mains.....	2,600	400	2,200
TOTALS	\$36,731	\$11,200	\$25,531

* "Practically" all labour.

Project	Total Cost	Material	Labour
B. Public Works:			
(1) & (2) Paving and Concrete Sidewalks	\$21,200	\$ 5,200	\$16,000
(3) Improvements at Disposal Plant.....	1,220	250	970
(4) Rebuilding Sewage Lift Station.....	4,000	2,800	1,200
(5) Garage, Work Shop, Storage Bldg.....	8,500	4,600	3,900
(6) Comfort Station	3,000	2,000	1,000
(7) Dredging Souris River.....	7,400	2,900	4,500
TOTALS	\$45,320	\$17,750	\$27,570

C. Light and Power:			
(1) 1500 K.W. Steam Turbo Unit.....	\$ 97,544	\$ 97,544	\$
Foundation	2,000	1,100	900
Reinforcing Steel	600	600	.....
Removing 180 Yards Soil.....	360	.....	360
Supervision, Labour, Piping Valves, Switches, etc.	2,000	1,100	900
	\$102,504	\$100,344	\$ 2,160
(2) Replace and Extend Street Lighting	3,000	2,300	700
(3) New Coal Hoist and Bunkers at Power Plant	3,000	2,500	500
(4) Forced Draft Fan and Soot Blower	2,790	2,640	150
(5) Concrete Floors	366	183	183
TOTALS	\$111,660	\$107,967	\$ 3,693
GRAND TOTALS "A", "B", "C"....	\$193,711	\$136,917	\$56,794

Man days of labour at \$5.00 per day 11,359.

Important additional projects outlined in the Weyburn brief were the construction of a nurses' home, an isolation ward, and maternity ward for the hospital with costs estimated as follows:

Project	Total Cost	xMaterial	xLabour
1. Nurses' Home	\$10,000	\$ 5,500	\$ 4,500
2. Isolation Ward	10,000	5,500	4,500
3. Maternity Ward	25,000	13,750	11,250
TOTALS	\$45,000	\$24,750	\$20,250

x—Estimated by the Council on basis of 55 per cent. material and 45 per cent. labour. These projects would provide 4,050 man days of labour.

It is suggested that when it has served its purpose the hospital building at the airport would be satisfactory for moving to the present hospital site for conversion into an isolation ward. For the maternity ward a 15 bed annex is suggested. Premises now near the hospital could be converted into a nurses' home.

City of Swift Current

The Swift Current Post-War Rehabilitation Committee brief pointed out that "The scope of urban works projects within the City is almost unlimited" but that "financial assistance by way of long-term loans at low interest would be necessary".

The details of their programme are shown below:

Project	Total
(a) Replacements and extensions of water services (to which the city would likely contribute)....	\$300,000
(b) Municipal abattoir, recreational facilities, community hall, incinerator (to which the city perhaps could not contribute)...	250,000
	<u>\$550,000</u>

The above, it is estimated, would provide 58,000 man days of labour.

The Committee's brief also stressed the need for a new hospital to serve Swift Current and district at an estimated cost of \$200,000. It was suggested that as 70 per cent. of the patients at the present City Hospital are from country points a Union Hospital district should be formed to include an area of about thirty miles radius from the city. Such an area would have an assessment of approximately \$16,000,000 and it was felt that the debt could be retired in a reasonable time. This project would provide about 20,000 man days of labour.

Additional projects not under civic jurisdiction were outlined in the Committee's brief of which mention will be made later.

City of Yorkton

Yorkton's civic post-war programme was presented at the public hearing held by the Council in that city and involves an expenditure of \$280,000 distributed as follows:

Project	Total Cost	Material	Labour
Street Improvement:			
Hard Surfacing	\$ 52,000	\$ 21,000	\$ 31,000
Curbs and Gutters.....	27,000	9,000	18,000
Sewer and Water Lines and Connecting Dead Ends	16,000	5,000	11,000
Civic Centre Group:			
Municipal Office, Library, Auditorium, etc.	150,000	60,000	90,000
Swimming Pool and Health Centre.	25,000	12,500	12,500
Parks and Playgrounds.....	10,000	2,000	8,000
TOTALS	\$280,000	\$109,500	\$170,500

Assuming \$5.00 per man per day the number of man days of work provided by the above programme would total 34,100.

The City would be in a position to undertake the projects listed providing proper arrangements can be made.

Further projects not under civic control were suggested of which mention will be made in a later subsection.

City of North Battleford

North Battleford post-war works proposals amounted to an estimated total of \$1,057,493. In the City's brief it is stated "Tax rates should not be increased in order to pay for municipal post-war projects, and should refrain as much as possible from increasing debenture debts, therefore the Federal and

Provincial Governments must bear a very large share of the cost. They could even bear all the cost."

The programme in detail follows:

Project	Cost
New City Hall.....	\$ 100,000
Storm Sewer	23,985
Repairing Force Main.....	12,500
Replacing and Repairing Electrical Distributing System (Business Area)	32,000
Hard Surfacing Streets.....	38,000
Concrete Sidewalks	36,288
Concrete Sidewalks to Stock Yards	3,600
Concrete Curbs	33,105
Watering Facilities at Cemetery....	1,200
Sewer and Water, Rly. Ave. to Stock Yards	16,420
Widening King Street.....	5,000

Sewer and Water Connections to	
Residences adjacent to Mains.....	51,000
Incinerator	20,000
Digestion Tank	8,000
Reservoir	30,000
Parks, Playgrounds & Boulevards	14,000
Damming River	500,000
Swimming Pool Repairs, etc.....	18,000
Connecting Dead End Water Con-	
nections	6,450
Street Cleaning Equipment.....	6,000
Snow Removal Equipment.....	2,500
Sewer Cleaning Equipment.....	600
Hard Surfacing Equipment.....	17,245
Air Compressor with Pneumatic	
Drill	1,500
City Maintenance Building.....	30,000
Fire Hall and Police Station.....	50,100
TOTAL	\$1,057,493

No estimates were furnished of the division into cost of materials and labour but based on 55 per cent. for the former and 45 per cent. for labour, the following result is reached:

Material	\$581,621
Labour	475,872

The number of man days of work provided (at \$5.00 per day) would be approximately 95,174.

Various other suggestions were offered by the City for post-war projects including the building of a high level bridge between North Battleford and Battleford, renovation of the old Mounted Police barracks and marking historical sites, and the development of the island between Battleford and North Battleford into an amusement park and picnic grounds. The need for a new Union Station and other railway buildings was also stressed.

Towns

Information concerning proposed civic post-war projects planned by the various towns of Saskatchewan is summarized in the following tables.

TABLE I.—Includes those towns which did not contemplate or submit any immediate civic post-war works projects of a definite nature.

Alameda	Ogema
Asquith	Radville
Davidson	Sintaluta
Francis	Strasbourg
Grenfell	Vonda
Langham	Watrous
Nokomis	Wolseley

TABLE II.—Includes those towns with contemplated civic works projects but whose submissions include no cost estimates.

Battleford—

1. Reconstruction of buildings of old N.W.M.P. barracks.
2. Repair of cemetery.
3. Repair and extension of water system.

Remarks—Large proportion of costs of these and other suggested projects would have to be financed through Provincial and Federal sources.

Carlyle—

1. Sidewalks.
2. Construction of houses.
3. Draining playground at lake.

Carnduff—

1. Additions to telephone system.
2. Sidewalk construction.
3. Construction of cisterns for fire protection.

Eastend—

1. Sewage and water system.

Kerrobert—

1. Sidewalk construction.
2. Grading of streets.
3. Building new school.

Lumsden—

1. Construction of public hall.
2. Increasing water supply.
3. Hard surfacing No. 11 highway within town limits.

Radisson—

1. Construction of cement sidewalks.

Rosetown—

1. Water and sewerage system.
2. Airport.
3. Town hall and fire hall.
4. Hard surfacing streets
5. Cement sidewalks.
6. Increased housing.
7. Community hall.

Remarks—These projects cannot be undertaken unless adequate assistance is given in the form of low-interest loans.

Wilkie—

1. Domestic sewers, disposal plant and extension of waterworks system.
2. Swimming pool.

Remarks—Providing cheap money available.

Yellow Grass—

1. Construction of skating rink.
2. Replacing water pipe.

Some of these towns, to carry out such contemplated projects, would require assistance in the form of low-interest, long-term loans.

TABLE III.—Includes those towns which have submitted plans and cost figures for immediate post-war civic works projects.

Bredenburg—

Municipal Building \$ 12,000

Cabri—

Water Supply System..... 64,606

Remarks—Possible only if assistance is provided in the form of low-interest rate borrowings.

Caron—

1. Regrading Streets
2. Concrete and Lumber Side-walks } \$ 1,500

Duck Lake—

1. Gravelling Streets
2. Concrete and Lumber Side-walks } \$ 1,000

Estevan—

1. Extension of Water and Sewer Utilities \$ 42,000
2. Paving of Streets..... 9,000
3. Concrete and Bituminous Sidewalks 7,000
4. Erection of Community Hall 30,000
\$ 88,000

Remarks—In addition and providing low-interest loans are available the construction of 50-100 modern houses might be undertaken.

Lloydminster—

1. Sewer and Water Plant..... \$ 125,000
2. Purchase of Electric Plant... 125,000
3. Community Recreational Centre 50,000
\$ 300,000

Remarks—These projects depend on low-interest loans being made available.

Meadow Lake—

1. Sewer and Water Plants..... \$ 150,000
2. Hospital Extension 60,000
3. Schools 60,000
4. Skating Rink 8,000
5. Roads 7,000
6. Cement Walks 6,000
\$ 291,000

Melfort—

1. Rest Room \$ 4,000
2. Town Hall and Fire Station.. 35,000
3. Sewer and Disposal Extensions 17,000
4. Water Works 10,000

5. Swimming Pool and Recreational Hall 15,000
6. Curling Rink 7,000
7. Hard Surfacing of Streets... 10,000
8. Parks 5,000
9. New Collegiate 65,000
10. Extension to Lady Minto Hospital 70,000
11. Four-room Public School..... 30,000
\$ 268,000

Remarks—The undertaking of these projects is contingent on low-interest loans being provided by Dominion or Provincial Government.

Melville—

1. Development of Water Supply from Crooked Lake to Melville \$ 300,000

Remarks—Would like Federal or Provincial Government to shoulder half of the responsibility. Would like the remaining half of the cost financed at 2 per cent. over a 30 year period.

Milestone—

1. Construction of Skating Rink \$ 18,000

Moosomin—

1. Waterworks Project..... \$ 112,000

Nipawin—

1. Extensions to Schools and Collegiate \$ 75,000
2. Sewage Disposal System..... 50,000
3. Hard Surfacing Streets, etc... 20,000
\$ 145,000

Scott—

1. Repairing Water Mains..... \$ 8,000
2. Pole Line 2,000
3. Installation of Power Unit... 2,500
4. Construction of Rink..... 2,000
5. Construction of Landing Field 200
6. Cement Sidewalks 6,000
\$ 20,700

Remarks—Items 2, 3, 4, 5 and 6 will depend on low-interest loans being made available.

Sutherland—

1. Construction of 25 Houses... \$ 100,000
2. Repairing Water and Sewer Mains 53,000
3. Modernizing 30 Homes..... 6,000
4. Construction of Municipal Office 5,000
5. Construction of Swimming Pool 4,000

6. Construction of Skating Rink	7,000
7. Parks	500
	<hr/>
	\$ 175,500

Remarks—Carrying out of these projects depends mainly on Provincial and Federal assistance being provided.

(Item 1 estimated at \$4,000 each. Not a civic project but included in total).

Tisdale—

1. Recreational Building	\$ 13,000
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TOTAL	\$1,810,306
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of which \$1,120,806 is dependent on the procuring by the towns of low-rate long-term loans.

These tables cover only 39 of the 82 Saskatchewan towns. In 10 instances the costs of the projects planned by the towns have not been estimated. In many cases where costs have been mentioned it has been emphasized that the projects could only be undertaken providing assistance in the form of low-interest loans is available.

For these reasons it is difficult to arrive at any true estimate of the cost of immediate post-war projects planned by Saskatchewan towns as a whole. If those towns which did not submit plans do not contemplate any great expenditure on post-war public works, then an estimated \$689,500 programme will be undertaken by the towns on their own account and an additional \$1,120,806 if federal or provincial assistance is given in the form of low-interest loans. The total labour cost for these works would amount to approximately \$814,638 providing 162,928 man days of work.

Villages

Information with respect to immediate post-war public works projects has been obtained from 160 villages of Saskatchewan. The information has been summarized into the following tables:

Table I—includes those villages which did not contemplate or submit any immediate civic post-war works projects of a definite nature except for a small amount of repair or replacement work, although some did make suggestions for the improvement of roads and provision of electrification and medical services for their districts.

Table II—includes those villages which contemplated civic works projects but whose submissions did not include any cost estimates.

Table III—includes those villages which submitted cost figures for their post-war works programme.

TABLE I.

Abernethy	Lucky Lake
Adanac	Luseland
Ardath	MacNutt
Bateman	Macrorie
Bengough	Mantario
Benson	Marcelin
Bounty	Major
Briercrest	Marsden
Broderick	Naicam
Brock	Osage
Bromhead	Otthou
Bulyea	Palmer
Cadillac	Pangman
Carmichael	Parkbeg
Churchbridge	Pelly
Colgate	Penzance
Conquest	Perdue
Consul	Plato
Cupar	Plenty
Dalmeny	Porcupine Plain
Denholm	Portreeve
Denzil	Prelate
Drake	Primate
Duff	Punnichy
Duval	Revenue
Dubuc	Riverhurst
Englefeld	Robsart
Esterhazy	Rocanville
Eyebrow	Rose Valley
Fillmore	Ruthilda
Flaxcombe	St. Boswell's
Forward	St. Walburg
Frobisher	Saskatchewan Beach
Glenavon	Sceptre
Goodeve	Scotsguard
Grayson	Silton
Guernsey	Simpson
Hazenmore	Spalding
Heward	Spiritwood
Horizon	Strongfield
Hubbard	Tate
Humboldt Beach	Tugaske
Insinger	Vanguard
Kelfield	Viscount
Kennedy	Waldheim
Lake Lenore	Wauchope
Lafleche	Wawota
Lancer	Weldon
Lashburn	Welwyn
Liberty	White Fox
Limerick	Willowbrook
Lipton	Yellow Creek
Loverna	Young

TABLE II.

Bienfait—See also Table III. for estimate for enlarging hospital.

1. Installation of water system.
2. Installation of sewage disposal plant.
3. Construction of skating rink.
4. Recreation park and playground.
5. Construction of hard-surfaced sidewalks.
6. Additional street lighting.
7. Construction of open-air swimming pool.

Carievale—

1. Paving sidewalks.
2. Regravelling of streets.
3. Construction of community hall.
4. Erection of skating rink.

Glen Ewen—

1. Construction of dugout and cistern.
2. Construction of new well house.
3. Construction of new sidewalks of cement.
4. Tree planting.
5. Draining sloughs.
6. Covering rink.

Goodwater—

1. Concrete sidewalks.

Hague—

1. Construction of firehall.
2. Construction of community hall.

Halbrite—

1. Acquisition of Halbrite landing field.
2. Acquisition of sewer, water, lighting and power equipment from landing field.

Hawarden—

1. Gravelling streets.
2. Extension of sidewalks.

Ituna—

1. Construction of new community hall.

Kinley—

1. Installation of power line.

Macoun—

1. Electric lighting.
2. Sidewalk construction.

Markinch—

1. Gravelling roads.
2. Renovating community hall.
3. Building sidewalks.
4. Constructing cistern to hold water.

Medstead—

1. Construction of a drainage ditch.

Success—

1. Grading and gravelling streets.
2. Construction of cement sidewalks.
3. Drainage.

Many of these villages would require assistance in the form of low-interest, long-term loans.

TABLE III.

Aberdeen—

1. Improving Sidewalks, Streets and Wells \$ 500

Allan—

1. Cement Sidewalks 2,000
2. Skating Rink 10,000

Aylesbury—

1. Cement Sidewalks 1,000

Beechy—

1. Community Hall 7,500
2. Improvements to Water Supply 1,000

Bienfait—

1. Enlarging Hospital 30,000

Ceylon†—

1. Sidewalk Construction } 2,500
2. Street Gravelling }

Chaplin—

1. Sidewalk Construction 800

Coderre—

1. Sidewalks } 2,500
2. Electric Power Line }

Colonsay—

1. Improving Sidewalks and Streets } 1,000
2. Improving Drainage System }
3. Improving Cemetery }

Creelman—

1. Construction of New Lumber & Cement Sidewalks } 2,000
2. Rebuild Rink }

Dollard—

1. Construction of Lumber Sidewalks 400

Drinkwater—

1. Rebuilding Dam 1,500

Ernfold—

1. Sidewalk Construction 200

Fox Valley—

1. Construction of Cement Sidewalks 3,000

Hudson Bay Junction—

1. Watermain 4,000
2. Cement Sidewalks 5,000
3. Skating Rink 10,000

Killaly—

1. Construction of Cement Sidewalks	} 2,000
2. Repairing Streets	

Kincaid—

1. Construction of Cement Sidewalks	4,000
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Laird—

1. Grading and Gravelling Streets	} 1,500
2. Sidewalk Construction	

Lang—

1. Constructing Pipe Line.....	4,000
2. Grading and Gravelling Streets	600

Lockwood—

1. Building Cement Sidewalks.....	2,000
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Madison—

1. Construction of Cement Sidewalks	1,000
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Maldstone—

1. Construction of A.C. Light Plant	} 15,000
2. Skating and Curling Rink	
3. Cement Sidewalks	
4. Dugout	

Marquis—

1. Regrading Roads	} 2,000
2. Sidewalk Construction	

Mazenod—

1. Rebuilding Sidewalks	400
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Pennant§—

1. Construction of Community Hall	4,000
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Pense—

1. Reroofing Village Rink.....	1,500
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Plunkett—

1. Construction of Community Hall	5,000
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Preeceville—

1. Additions to Schools.....	\$ 6,000
2. Cement Sidewalks	2,000
3. Water and Sewage Disposal Works	10,000
4. Auto and Tourist Camp.....	1,000
5. Agric. Fairs Bldg., Ice Rink....	10,000
6. Nurses' Home	3,000

Remarks—Low-interest loans amounting to \$16,000 would have to be made available.

Raymore —

1. Cement Sidewalks	} 5,000
2. Installation of Water Tanks	

Readlyn—

1. Construction of Wooden Sidewalks	250
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Rockglen—

1. Construction of Water System	} 15,000
2. Regrading Streets	
3. Construction of Sidewalks	

St. Brieux—

1. Improvements to Curling and Skating Rink	1,500
2. Construction Asphalt Sidewalks	500

Salvador—

1. Construction of Wooden Sidewalks	500
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Southey—

1. Improving Cemetery Ground....	402
2. Installing 3 Cement Tanks for Fire Protection	519
3. Construction of Cement Sidewalks	1,014
4. Cleaning Up Nuisance Ground..	160
5. Regrading Roads	260
6. Gravelling Streets	1,200

Togo—

1. Repairing Electric Light System	1,000
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Tompkins—

1. Construction of Cement Sidewalks	3,000
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Truax—

1. Remodelling Town Hall	} 800
2. Rebuilding Cement Sidewalks	

Turtleford—

1. Drainage System	5,000
2. Cement Walks	2,000
3. Water System	15,000
4. Additions to Hospital.....	30,000

Tuxford—

1. Construction of Lumber and Cement Sidewalks	600
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Valparaiso—

1. Construction of Lumber and Cement Sidewalks	300
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Verwood—

1. Construction of Cement Sidewalks	2,500
2. Gravelling Streets	2,000
3. Construction of Curling and Skating Rink	5,000

Waseca—

1. Roadbuilding	}	3,000
2. Construction of Cement Sidewalks		
TOTAL		\$256,405

† If government assistance is forthcoming this village would like to install a water system and also construct a landing field.

§ This village stated it would need to borrow \$2,500 at a low interest rate.

Many of these villages stated they would require assistance in the form of low-interest loans.

These tables indicate that a minimum works programme of \$256,405 will be undertaken by Saskatchewan villages providing they can obtain low-rate and long-term loans of \$130,600. It is likely that an amount greatly exceeding this will be expended on post-war projects but it is impossible under the circumstances to arrive at any true estimate. On the basis of the \$256,405 total the labour cost will amount to \$115,382 providing at least 23,076 man days of work.

Rural Municipalities

It has been difficult to estimate with any degree of accuracy the amount of construction planned by Rural Municipalities of Saskatchewan as post-war works projects. In their submissions to the Council most of the municipalities emphasized the point that, while there was a great deal of construction work to be done with respect to roads, bridges, culverts, buildings, etc., the scope of such work would be limited to the amount of money available to finance such projects. They insisted that any large works programmes would be dependent upon a satisfactory farm income level.

On the basis of information received from the Saskatchewan Association of Rural Municipalities it is estimated that the following expenditures on works projects should be undertaken during the first two years of the post-war period.

1. Roads, Bridges, Culverts, etc.....	\$2,400,000
2. Buildings and other projects.....	72,000
	\$2,472,000

In connection with Item 1 the estimates indicate that very little hand labour will be required as most of the work will be done with large grading equipment requiring only 2 or 3 skilled operators with each outfit. This equipment is estimated to cost about \$640,000. The total labour cost should approximate \$1,000,000 and this would provide close to 200,000 man days of work. It

should be borne in mind, however, that in the main, this work would be undertaken by local labour.

**The Provincial Government's
Post-War Programme**

(including long-term projects requiring Federal participation)

The various departments of government submitted to the Council their post-war public works, improvement, maintenance and development programmes. In some cases plans were developed to a point where they might be placed in operation on very short notice. In others, however, considerable technical work is still required and the need for the early acquisition of the services of personnel to bring plans to the blueprint stage is emphasized.

It is in connection with the proposed provincial programme that the need for a re-adjustment of fiscal relations between the Dominion and the Province is most clearly revealed. In response to a request by the Council, the Deputy Provincial Treasurer advised that the 1943-44 surplus which could be devoted to the purpose of post-war reconstruction measures only amounted to \$572,000, a negligible sum compared with the costs of a programme based on the needs of the province. The Council is conscious of the need for building up a reserve fund to take care of any programme which may have to be instituted upon short notice, and accordingly recommends that the government make provision for establishing a special fund for this purpose.

Highways

The Department of Highways presented very comprehensive plans for post-war development of the highway system in the province. The following tabulations summarize the programme outlined with estimates of costs and labour requirements. A more detailed discussion of the various projects recommended by the department and a resume of other briefs dealing with roads and highways will be given in Part VII, dealing with Communications.

Provincial Post-War Highway Programme		Total Cost
(a) Paving Primary System of Highways		\$33,255,000
(b) Secondary System of Paved Highways		23,775,000
(c) Improvements of Remainder of Provincial Highway System (not including Primary and Secondary System).....		27,920,000
(d) Proposed Bridge over South Saskatchewan River		350,000
(e) Colonization and Development Roads		2,286,500

(f) Highway and Grade Separation Projects	218,500
	<hr/>
	\$87,805,000
Main Market Roads including Repairs and Replacements to Timber Bridges	1,500,000
	<hr/>
	\$89,305,000

It is estimated that projects (a) and (b) will provide 543,016 man days work per year for five years or a total of 2,715,080 man days. On a proportionate basis the balance of the programme items (c), (d), (e) and (f) would provide about 1,465,000 man days. In addition about 71,400 man days of labour would be involved in the proposal for improvements to main market roads giving a grand total of 4,251,480. These estimates do not cover the "off-the-job" manpower required.

The present fuel and timber roads in northern Saskatchewan only reach the southern border of the timber zone and the colonization and developmental roads mentioned in the tabulation above constitute but a small part of the required road facilities for developing northern resources. A flexible programme could be inaugurated depending upon labour supply and the order of urgency.

In view of the widely scattered nature of our population distribution great importance is attached to roads as a means of communication. The Council was impressed by the number of submissions emphasizing the desire of the people for improved and additional highway and road facilities. It is the opinion of the Council that the programme outlined is a modest one having regard to the nature of our province and recommends that further study be given to the question with a view to providing complete adequacy.

Public Works

1. *New Mental Hospital*

Designed to accommodate a total of 2,200 patients, the two institutions, Battleford and Weyburn, are now overcrowded to the extent of 1,951 patients and the need for a new institution is urgent. Considerable preliminary work is necessary and it is estimated that at least one year will be required to make the investigations and prepare the drawings.

1A. *Colony Farm for Mental Defectives*

It has been represented to the Council that if this scheme were proceeded with the present congestion in mental hospitals would be relieved to the extent of about 800 patients for whom the proposed type of accommodation is more suited.

2. *Additions to Administrative Building at the Battleford Mental Hospital*

The present accommodation is congested and the proposal includes certain renovations and additions.

3. *Improvements to Water Supply, Weyburn Mental Hospital*

The present arrangement is inadequate and it is essential to obtain a new water supply from the reservoir created by the dam on the Souris River.

4 and 5. *Cattle and Horse Barns at the Weyburn Mental Hospital*

The proposals are for the purpose of providing for a milk supply for the institution, and for rebuilding the horse barns which are in very poor condition.

6. *Cattle Barns Battleford Mental Hospital*

Preliminary plans are on file for this project and it is proposed that a part of the structure be erected at the earliest possible date.

7. *Extensions to Provincial Sanatorium, Fort Qu'Appelle*

Sketch plans have been prepared for this project and provide for the concentration of administrative staff and replacement of frame buildings which constitute a fire hazard. New ward buildings are proposed in the plan which will permit better accommodation for children.

8. *Provincial Law Courts and Museum*

The need for a law courts building in Regina has long been recognized and several proposals have been considered at different times by the department. It has been suggested that a provincial museum be incorporated in the same project and that the building be located near the Regina Collegiate Institute. The Council urges the abandonment of the idea of a joint building for two such dissimilar purposes.

It may be well to call attention here to representations made by the Regina Natural History Society and the Saskatchewan Archaeological Society respecting the erection of a Provincial Museum. Their briefs should be carefully considered when deciding the type and location of a building for this purpose.

9. *New Court House at Saskatoon*

The existing building is inadequate and it has been pointed out that the site of the present building could be disposed of to advantage.

10. *New Office Building at the Legislative Building, Regina*

The Legislative Building has been congested for several years and departmental

offices have of necessity been separated. A new office building should be provided in the near future. No preliminary work has been done on this project.

11. *New Industrial School for Boys*

The present building is old and maintenance costs are high. The construction of a new building in a more suitable location is necessary.

12. *Addition to Provincial Gaol, Regina*

The department's programme recommends the construction of a new cell block and certain other improvements.

13. *Home for Infirm, Wolsely*

An extension to the building, a new sewage disposal plant and other improvements are required.

14. *Legislative Building, Regina*

A general programme of renovation is needed including new roof, improvements in elevator accommodation, and water supply main, rebuilding of concrete walks and driveways. There is also need for conversion of the old power house into workshops and the erection of a new building for grounds maintenance staff.

15. *General Renovations*

The majority of government buildings in the province require renovations and improvements. Although no estimates of costs can be given at this time a general programme would provide considerable work for many in the smaller centres of population.

Project	Est. Cost
1. Mental Hospital	\$5,000,000
1A. Colony Farm for Mental Defectives	1,950,000
2. Addition, Mental Hospital, Battleford	60,000
3. Water Supply, Mental Hospital, Weyburn	350,000
4,5. Barns at Mental Hospital, Weyburn	35,000
6. Barn at Mental Hospital, Battleford	30,000
7. Extensions to Sanatorium, Fort Qu'Appelle	215,000
8. Law Courts and Museum	1,200,000
9. Court House at Saskatoon	300,000
10. Office Building, Legislative Building	200,000
11. Industrial School for Boys	180,000
12. Addition to Regina Gaol	160,000
13. Home for Infirm, Wolsely	70,000
14. Legislative Building and Grounds	200,000
TOTAL	\$9,950,000
Materials	\$5,765,000
Labour (within the Prov.)	\$4,185,000
Man Days of Work (at \$5.00 per day)	837,000

It is the opinion of the Council that immediate authority should be given the Department of Public Works to proceed with the preparation of plans and specifications for these projects, having in mind their relative urgency. Thorough investigation of the various proposed sites for buildings should be undertaken without delay.

Education

Repairs and renovation of school buildings are urgently needed in Saskatchewan and considerable work involving general repairs to buildings and heating equipment, repainting and extensions is in prospect after the war. The projects proposed either by the Department of Education or recommended in the report of the Canada-Newfoundland Education Association with cost estimates follow:

Project	Cost
1. Repair and Renovation of Schools (\$300 per school)	\$1,500,000
2. Equipment for Rural and Village Schools	100,000
3. Conveyance Equipment for Consolidated Schools	25,000
4. School Libraries, \$30 per room	217,200
5. Agric. Schools (approximately)	800,000
	\$2,642,200

Agricultural schools have been estimated at from \$200,000 to \$300,000 each. Two or three are recommended.

Reference has already been made to the need for a new industrial school for boys and the estimated cost appears under Public Works.

It is difficult to estimate the proportion of the above programme which would represent direct labour costs. Assuming however that the estimate of 45 per cent. is applied to items 1 and 5, labour would account for \$1,035,000 or 207,000 man days (@ \$5.00 per day).

In addition it has been suggested that extensions be built to five schools in the province at a cost of \$50,000 each or a total of \$250,000 for the purpose of providing suitable class rooms and shops for vocational training. The Council's recommendations respecting vocational training are discussed in Part XIII of this Report and it is felt that a building programme to provide for vocational instruction would of necessity depend upon the further investigation of this question. A further proposal made by the Department calls for the erection of a new building to accommodate the Correspondence School and Book Bureau.

At the Saskatoon public hearing Dr. James S. Thomson, President of the University of Saskatchewan, presented details of the post-war building programme contemplated by the University.

The immediate building needs of a permanent character are:

(a) Building for Arts and Science, Accounting, Education, Law, Household Science and Administrative Offices	\$ 800,000
(b) College of Medicine \$ 500,000 Hospital	1,250,000
	1,750,000
(c) Library	300,000
(d) School of Agriculture.....	120,000
	<hr/> \$2,970,000

The building of a Student Centre was also proposed at a capital cost of \$300,000.

On the basis of 45 per cent. labour the immediate programme would involve labour costs of \$1,336,500 or 267,300 man days. The labour cost of the prospective Student Centre would be \$135,000 or 27,000 man days.

While not specifically provided for in the programme above the Council draws attention to the need for additional equipment and expanded class and laboratory accommodation for the departments of Geology and Ceramic Engineering. Their importance in the long range plans of industrial development bring their needs to the fore and the Council recommends that immediate consideration be given to providing adequate facilities for the training of students and for conducting necessary research.

The Council recommends the immediate construction of a dormitory for the School of Agriculture. This building would also be available for use of returned men receiving training at the University.

The Council directs attention to a brief presented at the Regina public hearing by the Art Centre Association of Regina, and the Civic Development Association of Regina and a delegation representing twelve art and cultural groups, endorsed by the Regina Co-ordinating Committee on Post-War Rehabilitation and Reconstruction. The brief requested the erection in Regina of a building, under the control of the University of Saskatchewan, suitable:

1. To display permanent collections of pictures and other works of art now owned and available in the said city.
2. To collect and preserve pictures and other works of art from time to time being produced but being removed, dispersed and lost to our citizens for lack of suitable custody and care.
3. To display travelling and exchange exhibitions of pictures, works of art and handicraft.
4. To provide studios for the instruction of students in all grades and in all branches of art and handicraft.
5. To provide an auditorium for the delivery of lectures on all branches of art and other educational subjects.

6. To display educational pictures on the screen by lantern or moving picture projector.
7. To provide suitable quarters and equipment to meet the needs of art associations, societies, clubs and groups who have been working for years under all sorts of handicaps and in all sorts of restricted quarters for the encouragement and development of the creative arts and talent latent in our citizens of many origins.
8. To provide a meeting place for societies, committees and groups organized for philanthropic, educational and cultural advancement in the community: such groups ranging in numbers of members from a dozen or so to two or three hundred.
9. To provide a means of broadcasting programmes of music, talks, drama, etc., from a Regina Art Centre."

The Council recommends favourable consideration of the proposal. No cost or labour estimates were submitted by the Association.

Telephones

The Department of Telephones estimates that it will be necessary to spend \$1,000,000 in renewal and reconstruction work over a period of five years. About \$170,000 of the total would represent labour costs within the province and an additional \$50,000 would represent special labour for installation supplied by the equipment companies from points outside Saskatchewan. The number of man days work for Saskatchewan men would total about 34,000.

The Department also estimated that rural telephone companies might spend up to \$5,000,000 for renewals and reconstruction. Of this total it is estimated that \$3,000,000 would be expended on materials and \$2,000,000 on labour providing about 400,000 man days of work.

Natural Resources

Forests

The Forestry branch of the Department of Natural Resources has prepared a five-year programme for the conservation and development of Saskatchewan's forest cover. Cost estimates are summarized as follows:

(a) Fire Prevention and Protection	\$2,453,020
(b) Silviculture	3,856,834
(c) Resorts and Recreation.....	268,920
(d) Miscellaneous	21,226
	<hr/> \$6,600,000

The manpower requirements of the proposed programme are estimated below:

	No. of Men	Man Days	Labour Cost
Administrative and Supervisory	120	180,000	\$ 900,000
Labour	880	1,320,000	5,280,000
TOTAL	1,000	1,500,000	\$6,180,000

Attention is called particularly to the high ratio of labour cost to total cost in the forestry programme. The extreme import-

ance of protecting and developing our forest areas and the significance from the standpoint of employment should commend this to the careful attention of the government.

Parks

A five-year plan of development work in connection with the provincial parks system was presented to Council and is shown in its main outline below:

SUMMARY

Park	No. of Men	Period	Total	Material, Equip., etc.	Labour
Cypress Hills Prov. Park.....	30	5 yrs.	\$ 280,000	\$ 55,000	\$225,000
Greenwater Lake Prov. Park.....	10	5 yrs.	93,000	18,000	75,000
Lac la Ronge Prov. Park.....	20	5 yrs.	186,000	36,000	150,000
Duck Mountain Prov. Park.....	30	5 yrs.	300,000	75,000	225,000
Good Spirit Lake Prov. Park.....	10	6 mos.	12,000	4,500	7,500
Moose Mountain Prov. Park.....	20	5 yrs.	210,000	60,000	150,000
Little Manitou Prov. Park.....	15	1 yr.	37,000	12,000	25,000
Katepwa Prov. Park.....	5	6 mos.	9,000	5,250	3,750
			\$1,127,000	\$265,750	\$861,250

Based on a rate of \$5.00 per day the man days of labour provided by the above programme would total 172,250.

Furs and Game

The establishment of government fox and mink ranches has been included in the proposals of the Department of Natural Resources for the post-war period. Saskatchewan has demonstrated its capacity for raising high grade furs and the Council recommends that the possibilities of re-establishing veterans in this occupation be fully investigated and that the extent to which the Veterans' Land Act could be adapted to this end should be determined. A government ranch will be needed to provide facilities for training men in fur farming, if such training cannot be undertaken on private fur farms.

The cost of the ranch including provision for mink raising is estimated at \$52,950.

A small labour force would be required in the operation and maintenance of the ranch itself.

The erection of dams for the development of the game and fur resources of the province is included in the cost and labour estimates of the forestry programme.

Fisheries

The Department recommended the erection of modern fish hatcheries at Makwa Lake and in the area of Lac la Ronge at a total cost of \$80,000. These would employ a permanent staff of 6 and a temporary staff of 10 for three to eight months per year. The cost of the buildings not including machinery and equipment is estimated at \$60,000. Labour cost would approximate \$27,000 providing 5,400 man days of work.

The staff requirements for a proposed biological survey comprise a field force of 4 for 6 months each year under a permanent director of fish culture. The cost of the field laboratory is estimated at \$2,000 while total annual operating expenses would amount to \$8,500.

The Supervisor of Fisheries also suggests the installation of Barr Fishways at Prince Albert and Saskatoon at a cost of about \$6,000.

The following summarizes the capital costs of the Fisheries programme:

	Total Cost	Labour	Man Days
Two Fish Hatcheries.....	\$80,000	\$27,000	5,400
Field Laboratory for Biological Survey.....	2,000	.....	.....
Two Barr Fishways.....	6,000	.....	.....
	\$88,000	\$27,000	5,400

The above does not of course include staff engaged in biological survey work.

Surveys

The Controller of Surveys, Department of Natural Resources, submitted a proposed five year plan of survey work which should be undertaken in the post-war period.

The projects are as follows:

No. 1 Primary or control surveys:

Third meridian north of Township 72 325 miles
Other meridian lines, base lines
and township outlines 1,840 miles

(In addition there is the Manitoba-Saskatchewan Boundary—360 miles. The esti-

mates given do not include this project as it will necessarily be performed under instructions from the Manitoba-Saskatchewan Boundary Commission).

No. 2. Restoration and Re-establishment Surveys.

This project would provide opportunities for training men intending to follow the profession of Land Surveyors.

No. 3. Surveys of Parks, Provincial Forests and Game Preserves.

The statements below show the estimated costs and personnel required:

Total Costs

Season	Project No. 1	Project No. 2	Project No. 3	Totals
1st	\$ 82,000	\$168,000	\$ 93,000	\$ 343,000
2nd	65,200	127,000	72,000	264,200
3rd	65,200	127,000	72,000	264,200
4th	65,200	127,000	72,000	264,200
5th	65,200	127,000	72,000	264,200
	<u>\$342,800</u>	<u>\$676,000</u>	<u>\$381,000</u>	<u>\$1,399,800</u>

Salaries—Wages (not including administration)

Season	Project No. 1	Project No. 2	Project No. 3	Totals
1st	\$ 34,800	\$ 65,000	\$ 34,000	\$133,800
2nd	34,800	65,000	34,000	133,800
3rd	34,800	65,000	34,000	133,800
4th	34,800	65,000	34,000	133,800
5th	34,800	65,000	34,000	133,800
	<u>\$174,000</u>	<u>\$325,000</u>	<u>\$170,000</u>	<u>\$669,000</u>

PERSONNEL

Surveyors	4	6	4	14
Assistants	4	12	.....	16
Instrument Men	8	.....	8	16
Levellers	4	6	4	14
Rodmen	4	6	4	14
Chainmen	8	24	12	44
Cooks	4	6	4	14
Labourers	40	24	30	94
Truck Drivers .....	.....	6	4	10
Picketmen .....	.....	12	.....	12
			<u>Total.....</u>	<u>248</u>

In addition headquarters staff would have to be increased to take care of mapping, drafting and supplying information to the field parties. In heavily wooded country additional labourers would be required.

The projects listed do not exhaust the survey work to be done. The Council is informed that there will be work of this type for many years to come and the programme

outlined merely covers the more urgent survey needs. Survey work of this nature provides excellent training for men who contemplate becoming surveyors. The need for qualified surveyors both in the government and private field is becoming more acute each year.

It is worth noting here that a great deal of the equipment required could be supplied at low cost from surplus army stores.

Topographical Mapping

In presenting data to the Council Dr. J. B. Mawdsley, Professor of Geology, University of Saskatchewan, pointed out that it was extremely difficult to estimate accurately the costs of topographic work. Dr. Mawdsley submitted the following in the nature of rough approximations of pre-publication costs:

A. Northern Sask. latitude 53° to 60°	
(a) 13 Sheets National Topographic Series	\$ 455,000
(b) Mapping selected sections	65,000
B. Southern Sask. latitude 49° to 53° 16 unit areas.....	960,000
	<hr/>
	\$1,480,000

The programme covers a 15-year period. It is important to note that aerial photography would be involved in the above projects, providing opportunities for the employment of air force personnel.

Geological Mapping

In the field of geological survey work the following necessary projects were outlined, costs being the pre-publication costs in each case.

Northern Saskatchewan—latitude 60° to latitude 54°:

(a) 28—1 degree by 1 degree quadrangles	\$280,000
(b) 20—15 minuet by 15 minuet quadrangles	190,000

Southern Saskatchewan—from latitude 54° to latitude 49°:

(a) 15—1 degree by 1 degree quadrangles (including bore hole drillings)	\$217,500
(b) Detailed work in special areas	50,000

\$737,500

The foregoing is also a long range programme covering a period of fifteen to twenty years and it will be necessary to train additional personnel if an accelerated output of the work is desired.

In both topographical and geological survey work the number of men engaged is relatively small and the projects in the main are of a highly technical nature.

Shortages of technical personnel to meet the post-war needs of the mineral industry will be serious, and it will be necessary to train many more men than in pre-war years. For this purpose the present facilities avail-

able to the Department of Geology are inadequate and more space and equipment will have to be provided. Reference has been made to the provision of additional accommodation under the post-war building plans of the University.

Major Projects Having Long-Term Economic Significance

In a province such as Saskatchewan, projects contributing to the stability of the basic agricultural economy and those bringing to the farm home some of the amenities associated with urban life have particular appeal. Among programmes of that nature land utilization, irrigation, and power development hold a prominent place, and fit well into post-war plans. Such projects will provide a very substantial amount of work in their construction, but of greater significance to the economy of the province are the continuing benefits which will accrue from this development.

For convenience these are discussed under the headings Irrigation, Power and Community Pastures.

Irrigation

It will be noted in Part V. of this Report that large scale irrigation and water conservation projects are classified according to the stage of preparation reached in their planning.

Group No. 1 provides for irrigation of 29,000 acres at a total cost of \$1,472,000. Three projects are involved and are ready for immediate construction.

Group No. 2 is practically ready for construction and includes three irrigation projects designed to irrigate 17,400 acres of land. The Prince Albert dam provides a base for amphibious planes operating in the north country, and the Wascana creek development to conserve water for sanitary and other purposes and to regulate the stream flow are also included. The total cost of the group is estimated at \$1,075,000.

Groups 3 and 4 include projects where preliminary investigation or only reconnaissance surveys have been made. They are discussed in detail in Part V. A total of 469,700 acres would be irrigable and the projects would cost an estimated \$15,911,000.

Attention is directed to the detailed discussion in Part V. dealing with the North Saskatchewan Irrigation project and the alternative South Saskatchewan proposal. The North Saskatchewan scheme, it is estimated, would irrigate 900,000 acres of land

of which about 450,000 are in Saskatchewan, at a cost of \$39,375,000. It has been further proposed that the addition of a pumping system would make possible the irrigation of a grand total of 1,411,000 acres at a total cost of \$105,600,000.

As an alternative the South Saskatchewan development has been proposed. This scheme

would irrigate 800,000 acres by gravity and an additional 157,000 acres by pumping at a total cost of \$40,000,000. The area involved is wholly within Saskatchewan.

The South Saskatchewan development if feasible is important from the standpoint of power development and will be referred to again in that connection.

Summary Irrigation

Projects	Total Cost	Labour Cost (@ 60%)	Man Days
Group No. 1.....	\$ 1,472,000	\$ 883,200	
Group No. 2.....	1,075,000	645,000	
TOTAL	\$ 2,547,000	\$ 1,528,200	305,640
Group No. 3.....	\$ 1,911,000	\$ 1,146,600	
Group No. 4.....	14,000,000	8,400,000	
TOTAL	\$ 15,911,000	\$ 9,546,600	1,909,320
x—North Sask. Irrigation Project (including pumping project).....	\$105,600,000	\$63,360,000	12,672,000
or South Sask. Development.....	40,000,000	24,000,000	4,800,000

x—The construction and benefits of this scheme would apply partly to Alberta and partly to Saskatchewan.

Power

The desire of rural residents to have available to them electrical energy at reasonable costs was expressed frequently at public hearings and in written submissions. The Council's appraisal of the prospects for power development in Saskatchewan appears in Part IX. of this Report in which will be found an analysis of the various possible alternative projects proposed.

From the standpoint of post-war construction the building of power dams and distribution systems offers an attractive employment field but the Council believes that before any extensive scheme is proceeded with, a complete survey of the whole field of power possibilities should be undertaken. Reference has been made in the preceding sub-section to the power possibilities on the South Saskatchewan, and there is also the proposed project at Fort a la Corne on which considerable engineering data are available. The Fort a la Corne project would cost

about \$19,000,000, including distribution system and sub-stations and would provide 5,500,000 man hours or 687,500 man days of work for Saskatchewan labour.

Community Pastures

Regrassing and fencing areas of submarginal land for use as community pastures provides an economic use of poor quality land and converts a liability into an asset. Pasture construction therefore is commended as one element in promoting agricultural stability. Applications now on file and considered feasible by P.F.R.A. will involve an estimated cost of \$1,358,000 which would provide 212,187 man days of work.

Mr. L. B. Thomson, Superintendent of the Experimental Station at Swift Current, suggested to the Council a definite programme of water development and reseeding grazing lands in South Western Saskatchewan. This would involve an expenditure of \$1,800,000 and provide an estimated 600,000 man hours of work or 75,000 man days.

Summary

The following is a cost summary of the preceding subsections:

	Total Cost	Labour Cost	Man Days
Irrigation Projects:			
Groups 1 and 2.....	\$ 2,547,000	\$ 1,528,200	305,640
Groups 3 and 4.....	15,911,000	9,546,600	1,909,320
Community Pastures	1,358,000	679,000	212,187
Regrassing Project	1,800,000	.....	75,000
TOTAL	\$ 21,616,000	\$11,753,800	2,502,147

Alternative Proposals

	Total Cost	Labour Cost	Man Days
Irrigation and Power:			
North Sask. Project.....	\$105,600,000	\$63,360,000	12,672,000
South Sask. Project.....	40,000,000	24,000,000	4,800,000
Power:			
Fort a la Corne.....	19,000,000	4,750,000	687,500

Miscellaneous Post-War Projects

Among the major construction projects advocated as post-war measures were many changes, additions and extensions to present railway facilities. Connecting up dead end lines, completion of existing gaps, rail extensions, re-routing approaches and the provision of new or improved terminal facilities including Union Stations were urged in

many briefs received by the Council. These proposals and others relating to bridges are discussed more fully in Part VII, Communications, but particular attention is called at this point to the employment possibilities they would provide.

At the hearing in Swift Current the Post-War Rehabilitation Committee outlined the following projects for which cost estimates were submitted in addition to those under civic control.

Project	Total Cost	Man Days
		Labour
1. Agricultural development, e.g., P.F.R.A. Project; Swift Current Creek Irrigation Project; approx. 500 sets of buildings at average cost of \$3,000.00.....	\$1,500,000	125,000
2. Industrial development	1,800,000	150,000
Man days labour on construction.....		85,000
Man days labour per year on operation.....		45,000
3. Educational facilities	450,000	125,000
4. Housing: Construction	1,500,000	40,000
Improvement	250,000	
	\$5,500,000	570,000

At Regina the Trades and Labor Council estimated that for the province as a whole during the first year after the war, 5,000 new homes are required at a total cost of \$17,500,000 providing work for 4,000 men at an average of \$1,500 per year or about 1,000,000 man days of work. It has further been represented to the Council that in urban centres of 1,000 population and over alone there is an estimated need for 12,500 housing units. The extent to which a housing programme would absorb those engaged in the building trades may be appraised from these figures.

The Regina Collegiate Institute Board laid plans before the Council for additional high school accommodation involving an expenditure of \$623,500 providing about 55,000 man days of work.

The need for additional collegiate accommodation was also stressed in Prince Albert. To provide this an investment of \$200,000 was considered necessary. Labour costs would probably total about \$90,000 providing 18,000 man days work.

At Yorkton it was estimated that the proposed stockyards would cost \$100,000 and a programme of housing \$100,000 per annum.

In a brief to the Council the Consumers' Co-operative Refineries, Regina, advised that it was their intention to expand their plant at a cost of \$200,000.

Reference is made elsewhere in this Report to the need for machine shops to service agricultural machinery. It has been proposed that 20 shops be built. These would employ 200 men permanently and an additional 400 during the winter. The high level of employment provided by machine shops in the winter months will be noted.

The foregoing merely makes reference to a few of the many miscellaneous projects involving employment in the post-war years for which cost figures were indicated. A more complete picture of construction and activities contemplated may be obtained by referring to Appendix 2 to this Report.

Statistical Summary

The foregoing programmes are summarized in the following table:

Project	Total Cost Capital Expenditure	Man Days Labour
Regina "A"	\$ 6,954,940	1,047,880
"B"	600,000	
"C"	9,197,650	
Rerouting R.R. approaches.....	475,000	41,562
Saskatoon	2,745,000	247,050
Grade separations	500,000	45,000
Natural Gas mains.....	4,500,000	405,000
Moose Jaw	2,770,932	350,421
Prince Albert	1,047,000	112,541
Other projects	2,500,000	225,000
Weyburn "A"	36,731	11,359
"B"	45,320	
"C"	111,660	
Hospital improvements	45,000	4,050
Swift Current	550,000	58,000
New Hospital	200,000	20,000
Yorkton	280,000	34,100
North Battleford	1,057,493	95,174
Towns (reporting)	1,810,306	162,928
Villages (reporting)	256,405	23,076
Rural Municipalities (est. totals).....	2,472,000	200,000
Highways	89,305,000	4,251,480
Public Works	9,950,000	837,000
Education	2,642,200	207,000
University	2,970,000	267,300
Student Centre	300,000	27,000
Telephones	1,000,000	34,000
Rural Companies	5,000,000	400,000
Natural Resources		
Forests	6,600,000	1,500,000
Parks	1,127,000	172,250
Fur and Game.....	52,950	.....
Fish Hatcheries	80,000	5,400
Field laboratory	2,000	.....
Barr fishways	6,000	.....
Surveys		
Base line	1,399,800	.....
Topographical mapping	1,480,000	.....
Geological mapping	737,500	.....
Irrigation		
Groups 1 and 2.....	2,547,000	305,640
Groups 3 and 4.....	15,911,000	1,909,320
Community Pastures	1,358,000	212,187
Regrassing project	1,800,000	75,000
* TOTALS	\$180,923,887	13,151,718

* Housing City of Prince Albert and Town of Sutherland, costing \$1,400,000 and \$100,000 respectively and providing 126,000 and 9,000 man day's work respectively has been excluded from totals.

Project	Total Cost Capital Expenditure	Man Days Labour
<i>Miscellaneous:</i>		
Swift Current (exc. of housing)....	\$ 4,000,000	445,000
Housing construction	(1,500,000)	(125,000)
Housing (Regina Trades & Labor Council est. for one year).....	17,500,000	1,000,000
Regina Collegiate Board.....	623,500	55,000
Prince Albert Collegiate.....	200,000	18,000
Yorkton: Stock yards	100,000	.....
Housing per annum.....	(100,000)	.....
Consumers' Co-op. Refinery.....	200,000	.....
x TOTALS MISCELLANEOUS	\$ 22,623,500	1,518,000
<i>Alternative Proposals</i>		
(1) <i>Irrigation and Power:</i> North Saskatchewan Project.....	\$105,600,000	12,672,000
(2) <i>Irrigation and Power:</i> South Saskatchewan Development	40,000,000	4,800,000
(3) <i>Power:</i> Fort a la Corne.....	19,000,000	687,500
SUMMARY		
		Grand Totals
Using Alternative (1).....	\$309,147,387	27,341,718
Using Alternative (2).....	243,547,387	19,469,718
Using Alternative (3).....	222,547,387	15,357,218
x Exclusive of housing construction estimates from Swift Current and Yorkton. The estimate for the province submitted by the Regina Trades and Labor Council has been included in the total.		
Note: See also "Construction" Appendix 2 Cross Indexing for complete list of proposals involving construction.		
Note: Where it has been necessary for the Council to estimate labour costs and man days, 45 per cent. of the total cost has been taken to represent labour and a rate of \$5.00 per day has been used to calculate the number of man days work involved. Where estimates have been furnished in man hours, an eight hour day has been assumed for converting to the man days equivalent.		

Military and Air Force Buildings and Equipment

A very large number of those appearing before the Council at public hearings or submitting written briefs had suggestions to offer with respect to the peace-time use of buildings and equipment erected during the war under the air training plan or for military purposes. These buildings are distributed widely throughout the province and it is obvious from the frequency with which reference was made to them that the people are most anxious to ensure that they be placed to good use upon the cessation of hostilities.

Many of the suggestions involved the use of the buildings as they now stand, others proposed their removal and conversion. Among the proposals advanced for post-war utilization of these structures were civilian and military hospitals, group health centres, agricultural, vocational and rural schools,

homes for the aged, recreational centres, handicraft centres, community halls, skating rinks, curling rinks, machine shops, and summer camps for children. Several briefs suggested that salvaged building material might provide seasoned lumber for housing and the renovation and rebuilding of rural schools.

Other proposals included making the plumbing and heating fixtures available at low cost to farmers and those residing in small urban centres and placing tools and workshop equipment at the disposal of technical schools. Several municipalities urged the use of surplus war materials and machinery for road building, and using heavy equipment for land clearing.

Mobile army units were proposed as mobile hospital clinics to serve outlying areas. The Saskatchewan Pharmaceutical Association suggested that broken packages of drugs and surgical supplies be given to the Red Cross. In the opinion of the Association sur-

plus stocks of serums should be distributed to medical health officers in towns and cities for immunization campaigns.

Very completely equipped hospitals are now in operation in connection with some of the military and air force establishments. One of these is located in Maple Creek and would be of great value if turned over to the town and district when its present purpose has been served.

In some areas power lines have been built to serve airports and these could be used and extended in the post-war period to form part of the provincial electrification system. It has been represented to the Council that the salvage value of such equipment would be small and it would appear sound judgment to allow such lines to remain and serve the districts in which they are located.

Attention should be called to the brief submitted by the M. & C. Aviation Company at Prince Albert and their request to purchase at a reasonable sum the government equipment now in use by the Company, in order to assist them in retaining their present staff in gainful employment.

All presentations were unanimous in the desire that the disposal of military and air force equipment and buildings should proceed under the strictest supervision and it was generally considered that municipalities, both rural and urban, should have the first opportunity of obtaining any government assets in their locality and that adequate notice should be given prior to their sale.

The Canadian Co-operative Implements Ltd., suggested to the Council at its Regina hearings that surplus war machines be disposed of through the medium of their organization to western farmers.

Although the proposals are many and varied they all arise from a desire to see that war-time buildings and supplies are disposed of in the best interests of the people generally. The Council is in complete agreement with the principle thus expressed and recommends that no disposition whatever be made of military or air force buildings, equipment or power lines serving such establishments until it has been definitely proven that they cannot be used to advantage by municipal, provincial or federal governments.

The Council further recommends that an immediate survey be made of Crown assets in the province to determine their best use when their present purpose is served. In this survey particular attention should be given to the feasibility of adapting military and air force hospitals to civilian use. Appropriate representations should then be made to the Crown Assets Committee at Ottawa.

Recreational Facilities

Among the many proposals presented to Council having as their object making Saskatchewan a better place in which to live, the provision of adequate recreational facilities assumed a prominent place, and it is quite clear that much construction will be necessary after the war to satisfy the desires of Saskatchewan communities for skating rinks, curling rinks, swimming pools, community centres, golf courses, supervised playgrounds, parks and other recreational facilities.

It is evident that in their desire to achieve a condition in the post-war era where all may work, the people have not lost sight of the value of relaxation and recreation.

It is not possible in this brief subsection to comment on all the proposals submitted but these are included in Appendix 2.

A few of the larger projects recommended to the Council include an Art Centre, a Museum of Natural History and a Natatorium at Regina, a Recreational Centre including auditorium, art gallery, and museum at Saskatoon, and the development of Island Park at North Battleford. The improvement of facilities at summer resorts and the development of scenic highways through Saskatchewan's beauty spots have also been proposed, notably by the Qu'Appelle Valley Associated Boards of Trade and the Prince Albert Reconstruction and Rehabilitation Council.

In view of the rigid requirements of modern war, rejections of applicants for enlistment do not necessarily provide a true index of the physical well-being of the nation as a whole, but nevertheless they have focussed attention on the need for programmes to raise the physical standards of the people.

The Council considers physical fitness campaigns of value but is convinced that the greatest contribution to the physical well-being of the people will result from the provision by local communities of adequate facilities for healthful recreation. Recreation is a very important part of life and the Council is conscious of the great value of proper recreational facilities in terms of health, and the joy of living. When financial resources are limited it is usual for public expenditures of this type to be curtailed or stopped completely. Placing local governments in a financial position to provide these facilities would constitute one of the great contributions toward the welfare and contentment of the people.

Conclusions and Recommendations

Prior to the war Saskatchewan passed through an extremely difficult period during which normal public spending on capital account was of necessity greatly curtailed. Of even greater implication, however, has been the burden placed upon the province by virtue of its geographical position, rendering it an extremely high cost area—costly to transport its products to market and costly to import consumer goods. Aggravating these natural burdens the imposition of tariffs has not only further increased the cost of those necessary consumer goods but rendered it more difficult for the primary producer of the west to dispose of his products on the world's markets. The actual contribution made by the western farmer to Canada as a whole is probably incalculable but the benefits accruing to Canadians outside the prairie provinces in the handling of western produce and filling the western demand for consumer goods are far reaching. In view of the impact of Dominion tariff policies on primary producers in the past, in order that Saskatchewan may play her full part in the future development of Canada, and to assure to the western farmer a position commensurate with his contribution to the Canadian economy, the Council urges that funds be made available for the immediate inauguration of those projects contributing to the stabilization and advancement of agriculture and the development of our natural resources and utilities.

Major irrigation, power, highways, land utilization and natural resources development schemes will involve the expenditure of very substantial sums of money in this province. These projects, however, are in the truest sense national in scope, for the beneficial effects will not stop at the provincial boundary line but will be reflected beyond the borders of Saskatchewan in a measure probably at least equal in the aggregate to the benefits within our province. No country can realize its fullest potentialities while any one part is labouring under avoidable handicaps. It is in the material and cultural interests of Canada that our own province should be in a position to contribute to the full extent of its vast resources to the betterment of the Canadian standard of living. The Council, therefore, urges that the Provincial Government make strong representations to the Dominion Government for adequate financial assistance to inaugurate such projects for the purpose of stabilizing and diversifying the agricultural economy of the province, and promoting the development of industry to broaden further the base of the provincial economy and thus to bring to the mass of the people those comforts and amenities necessary for contentment.

Throughout the public hearings and in examining briefs and evidence submitted

the Council has been impressed with the careful consideration obviously given to the needs of the province and its communities, as revealed in the proposals presented. The Council is further of the opinion that all are desirable and necessary in the pursuit of the good life for the people of the province. With respect to municipal building programmes it is considered that every assistance should be extended by way of advice, technical assistance, and by the provision of long-term credits at low interest rates. It is further recommended that consideration be given to a scheme for assisting financially the building programmes of private or co-operative organizations where the projects are of a self-liquidating nature.

The Council strongly recommends that adequate provision be made for advancing plans to the final blue-print stage in order that projects may be commenced immediately labour is available.

From the impressive, but only partial list of necessary works to be undertaken, and predicated upon the completion of working plans and the provision of financial means for their execution, it may safely be concluded that no one in Saskatchewan willing and able to work should be idle in the post-war period. Assuming that the prerequisites of preparedness and finances are assured any potential problem of surplus labour and unemployment which might arise during the transition period may be obviated by an acceleration of a public works programme already long overdue.

RECOMMENDATIONS

1. That every effort be made to bring about an adjustment in Dominion-Provincial fiscal relations in order that the Province and the municipalities be placed in a financial position to discharge their responsibilities.
2. That the Provincial Government make strong representations to the Dominion Government for financial assistance to develop irrigation, power, highways, land utilization and natural resources programmes in Saskatchewan to stabilize the provincial economy in the national interest.
3. That the Provincial Government establish a post-war fund to the limit of its financial capacity for the purpose of meeting its share of necessary public works.
4. That preliminary investigation of irrigation, power, rural and urban water supply proposals proceed immediately.
5. That long range plans for land utilization, irrigation, water supply, power, and development of natural resources be prepared immediately.

6. That special attention be given to necessary highway development and that the Department of Highways prepare blue-prints now for a province wide highway system.
7. That the Department of Public Works proceed with the preparation of plans and specifications for a public works programme, and that investigation of proposed building sites be undertaken without delay, so that work may be commenced at the earliest opportunity.
8. That University extension plans, including dormitory for the school of agriculture and additions for the Ceramics and Geological departments, be brought to the final blue-print stage, and that consideration be given to inclusion in the University programme of the proposed Art Centre at Regina.
9. That Provincial and P.F.R.A. proposals be advanced to a position where they may be implemented immediately labour and materials become available.
10. That a committee for co-ordinating post-war plans and labour data be established to act in an advisory capacity to the Reconstruction and Labour Branches, with representation from the Dominion and Provincial Governments, the Urban Municipalities Association, the Saskatchewan Association of Rural Municipalities, and organized labour.
11. That careful consideration be given by the proposed co-ordinating Committee to all projects and plans submitted to the Council, by governmental, municipal, private and other agencies with a view to rendering any assistance possible.
12. That legal provision be made for setting up special funds for reconstruction purposes by municipal governments.
13. That long-term credits at low interest rates be made available to municipalities and, with proper safeguards, to private and co-operative groups to assist in post-war projects.
14. That consideration be given to the expansion of services of the Municipal Planning Branch of the Department of Municipal Affairs and the Sanitation Division of the Department of Public Health to provide encouragement, advice and assistance, to municipalities in town planning and sanitation problems and that these services be closely co-ordinated.
15. That consideration be given to amending The Town Planning Act to render it more effective in promoting long-term planning for urban communities.
16. That all works projects be brought to the final blue-print stage as rapidly as possible.
17. That in constructing public buildings and utilities, consideration be given to their proper location and landscaping.
18. That to the greatest extent possible, advantage be taken of the advice and technical assistance of local architects and technicians.
19. That technical personnel now in the armed forces be made available for post-war planning as soon as they can be spared from military duties and well in advance of general demobilization.
20. That it be a principle of reconstruction policy that all wage levels be adequate to ensure a proper standard of living.
21. That the Provincial Government make a detailed survey of all war plants in the province to determine the feasibility of their conversion to the manufacture of peace-time goods.
22. That a complete survey of military and air force buildings, and equipment, including power lines be undertaken with a view to determining their best use in the interest of the people of the province, and that special attention be given to the possibilities of converting hospitals to civilian use.
23. That no disposition whatever be made of Crown assets unless and until it has been definitely proven they cannot be used to the benefit of the public.
24. That every effort be used to acquire suitable land for settlement under the Veterans' Land Act.
25. That the possibilities of opening up virgin land for soldier settlement purposes be fully explored.
26. That the possibilities for re-establishing veterans in fur farming be fully explored and particularly the applicability of the Veterans' Land Act for this purpose be determined.

PART V.

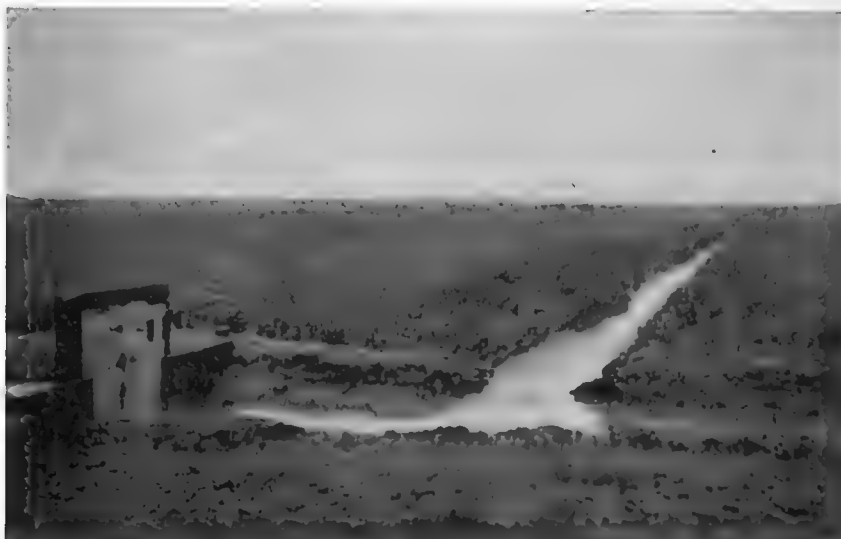
AGRICULTURE

Agriculture is the main industry of Saskatchewan and land is the principal resource. In any programme of reconstruction the position of agriculture is of first importance and everything should be done to secure the standard of living of the man on the farm. This can best be accomplished by stabilizing agricultural conditions and making the farm a better place on which to live.

When comparing the place of agriculture in relation to other primary industries of forestry, fisheries, trapping and mining we find that during the period 1925 to 1939 total net production was \$2,590,000,000 of which \$2,474,000,000 or 95.5 per cent. was from agriculture. The net value of production

from all industries, both primary and secondary (electric power, construction, customs and repaid, and manufacturing) during this same period was \$3,044,000,000 of which 81.27 per cent. was from agriculture. It would therefore appear that maintenance of stability of agriculture merits first consideration in Saskatchewan.

Anything that decreases the income from agriculture is reflected in the total income of the people of the Province and has a very important bearing on all secondary industries located in Saskatchewan. The following table gives a comprehensive picture of the place of agriculture in relation to primary and secondary industries.



Irrigation at Maple Creek, Saskatchewan.

TABLE I.
NET VALUE OF PRODUCTION IN SASKATCHEWAN BY PRIMARY AND SECONDARY INDUSTRIES 1925 TO 1939
 (Thousands Dollars)

Year	Agriculture	Forestry	Fish-eries	Trapping	Mining	Total Primary Industries	Electric Power	Construc- tion	Custom and Repair	Manu- factures	Total Secondary Industries	Total All Industries
1925	334,635	2,390	495	1,797	1,076	340,393	2,849	3,200	3,849	10,143	20,041	360,434
1926	316,886	2,477	444	1,610	1,193	322,610	3,071	9,260	4,296	12,508	29,135	351,745
1927	364,722	2,750	503	1,610	1,455	371,040	3,372	14,390	4,635	13,969	36,366	407,406
1928	364,992	3,086	564	1,821	1,719	372,182	3,756	14,383	5,154	18,350	41,643	413,825
1929	173,110	5,291	573	2,149	2,253	183,376	4,170	22,220	7,266	21,750	55,406	238,782
1930	77,595	5,686	234	1,260	2,369	87,144	4,711	17,785	6,090	18,404	46,990	134,134
1931	44,267	4,787	318	1,033	1,932	52,337	4,455	5,980	4,958	14,961	30,354	82,691
1932	91,668	1,959	186	916	1,682	96,411	4,478	1,758	3,998	11,214	21,448	117,859
1933	77,841	1,972	187	1,089	2,477	83,566	4,237	504	4,144	10,134	19,019	102,585
1934	78,547	2,218	220	1,281	2,340	84,606	3,461	4,328	4,409	10,157	22,355	106,961
1935	107,633	1,996	252	1,081	2,869	113,831	3,616	2,773	3,251	10,530	20,170	134,001
1936	122,370	1,938	367	931	5,721	131,327	3,903	5,093	3,440	11,174	23,610	154,937
1937	38,282	2,199	527	1,031	8,226	50,265	3,904	4,974	4,777	11,916	25,571	75,836
1938	98,165	2,161	469	537	7,030	108,362	4,020	7,208	4,806	12,585	28,619	136,981
1939	183,046	2,269	478	589	6,391	192,773	4,331	7,773	4,698	16,011	32,803	225,576
Total (15 years)	2,473,759	43,179	5,817	18,735	48,733	2,590,223	58,334	121,629	69,761	203,806	453,530	3,043,753
% of All Industries	81.27	1.42	.19	.62	1.60	85.10	1.92	4.00	2.29	6.69	14.90	100.00
% of Primary Industries	95.50	1.67	.23	.72	1.88	100.00						

Data from Canada Year Books—Electric Power, for the purpose of discussion in this Part has been classified as a secondary industry.

The extent to which people are gainfully occupied in any industry is a fair indication of the value of such an industry to the economy of the country. Here again we find that agriculture exceeds all other industries combined. The following comparisons for 1931, and 1941 are taken from Dominion census records. In neither case is the comparison as favourable to agriculture as it might be. In 1931 the farming industry was entering the third year of the greatest depression since Saskatchewan became a Province with

the result that there was unusual abandonment of farm land in many areas. The 1941 figures do not reflect full credit to agriculture as the shortage of manpower is more apparent in this industry than any other and the number of people occupied in secondary industries increased considerably due to war-time activities. However, even allowing for these factors over 60 per cent. of all gainfully occupied persons in Saskatchewan were employed in agriculture in 1931 and slightly over 57 per cent. in 1941.

TABLE II.
Saskatchewan—Gainfully Occupied

	1941 (14 yrs. & over)			1931 (10 yrs. & over)		
	Male	Female	Total	Male	Female	Total
Agriculture	192,255	3,172	195,427	200,881	3,591	204,472
Other Occupations ..	104,864	39,008	144,472	100,554	33,885	134,439
Total All	297,119	42,780	339,899	301,435	37,476	338,911

x Total Males in Active Service, June 2, 1941—23,997 included in above.

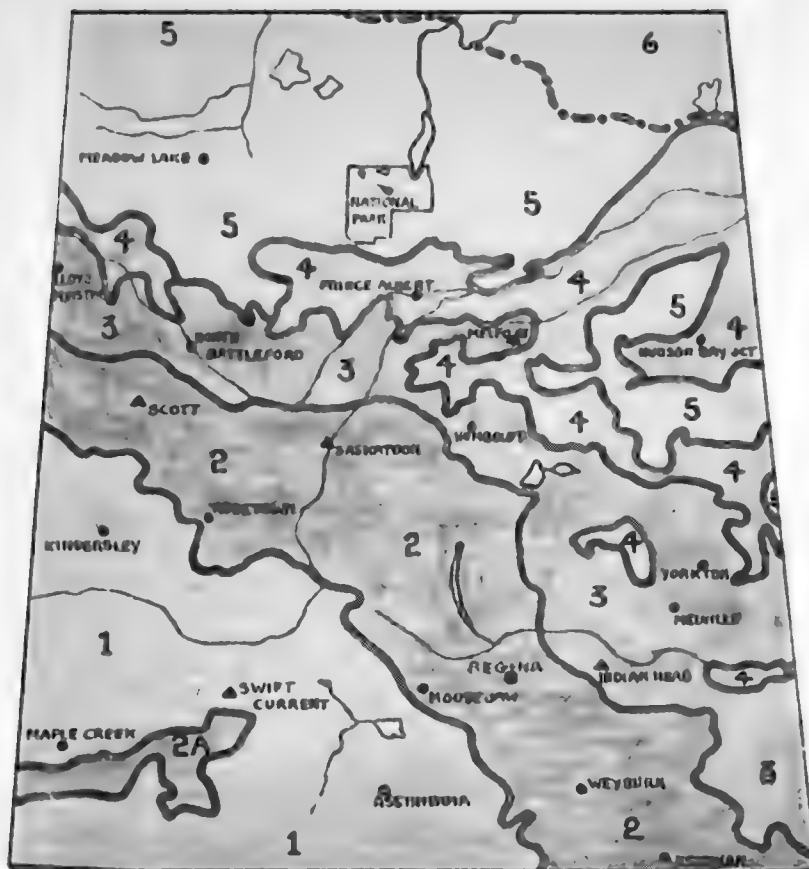
The prosperity of Saskatchewan is definitely linked to the prosperity of the farmer; the success of the farmer depends upon the proper utilization of land and returns obtained from production. The well-being of the farmer in Saskatchewan has a very important bearing on the national economy, therefore it is proposed to outline in considerable detail the position of agriculture in a reconstruction era.

The only way to obtain a comprehensive picture of the possibilities of agriculture in Saskatchewan is to consider the total land and water resources. All land is capable of some use, and a proper conservation and use of our water resources must be closely associated with the land.

The total area of Saskatchewan is 161 million acres of which 9 million are under

water. Of the area presently settled, 33.5 million acres are estimated as arable. In the Precambrian Shield, which includes most of the water surface, there are 72.5 million acres.

The soils have been classified by the Soils Department of the University of Saskatchewan. In some districts detailed surveys have been made both by the Soils Department and the Farm Management Branch of the University, and the Economics Branch of the Dominion Department of Agriculture. This information would form a guide to the possible use of our farm lands and provide an indication of the possibility of any future land settlement. The soils are divided into four zones—brown, dark-brown, black and grey.



SOIL ZONES OF SASKATCHEWAN

1. Brown soils—short grass prairie region.
 2. Dark brown soils—intermediate prairie region.
 - 2A. Chiefly dark brown with some brown and black soils—vertical zonation on Cypress Hills plateau.
 3. Black soils—tall grass "park" region.
 4. Transition soils—mixed black, degraded black, and grey soils—wooded and park region.
 5. Grey soils—wooded region.
 6. Grey soils and rock outcrops—wooded region of Precambrian Shield.
- △ Experimental farms and stations.

The brown soil zone contains 20 million acres of which 6 million are classed as arable. This is the true prairie, the short grass country, and it is here that we have our large grazing areas. In this zone about 40 per cent. of the land is still in native grass. Precipitation is not heavy and evaporation is high. The economy is based on producing wheat on those lands which have the heaviest structure and in using the poor land for grazing. Over 2 million acres of land were abandoned during the drought

period of the thirties. In this zone it is possible to develop a considerable area of land for irrigation. This programme would include small individual and large irrigation schemes and will be discussed under another section of the Report.

A survey conducted by officers of the Dominion Experimental Station at Swift Current indicates that in the brown soil zone there are 1,135,000 acres of vacant and abandoned land, south of the South Saskatchewan River and west of the Third Merid-

ian. If this land were regrassed and water supplies developed it would be possible to produce millions of pounds of beef every year on land now only partially used. This programme would cost \$1,200,000, and provide 400,000 man hours of work.

In addition there are 7 million acres of ranch land in this same area and if maximum use is to be made of this for livestock it would require 1,500 additional stock watering facilities. This would cost an estimated \$600,000, and give 200,000 man hours of work. The effect of this programme in South-Western Saskatchewan would be a greatly increased carrying capacity of livestock, and the foundation of a proper land utilization policy. This is expressed by officials of the Dominion Experimental Station at Swift Current in terms of beef economy as an increase of 47 million pounds of beef a year.

The dark-brown soil zone has an area of 18.5 million acres of which 12 million acres are classed as arable. The balance of this area, 6.5 million acres, is classed as grazing land but a proper land use and water conservation programme would give more security to the farmer. In this area we have our best wheat land; rainfall is slightly heavier than in the brown soil zone and evaporation is considerably less so that there is a more efficient use of the moisture that falls.

The black soil zone has some 19 million acres, of which 12.5 million acres are arable. In this area we have our major development of mixed farming and there is seldom a crop failure due to lack of moisture. Farms are smaller and there is a greater density of rural population than in the other two zones. Frost-free periods are not as long as in other portions of Saskatchewan and harvest weather is often unfavourable. These conditions lend themselves to the production of coarse grains, hay and pasture for livestock.

In this area water erosion is becoming a problem. The Experimental Station at Melfort instigated experimental work on control methods and it is suggested that there should be an active extension programme to acquaint farmers with the methods of preventing further loss of soil from their farms by water erosion.

In order to obtain a full utilization of land resources in this soil zone, there is every indication that there should be an increased use of phosphorous fertilizer. Then too there is the problem of water supply for livestock. A complete land use programme requires the development of water supplies, pastures and the raising of feed for winter use. Large areas which were previously pasture land are now being overrun by shrub and small tree growth according to a statement from the Indian Head Experimental Farm.

It is estimated that there are 43,365,000 acres of potential pasture land in Saskatchewan, a large amount of which is not being used but if properly improved would add a great deal to the wealth of Saskatchewan.

A survey should be made of these pasture possibilities and if this were completed, plans could be made for greater use of the pasture land. Such a survey should be under the direction of the agrostologist at the Swift Current Experimental Station and if all the prairie areas were covered, this work would require the services of a number of qualified men, and would take about five years to complete. It is therefore recommended that this be instituted as soon as possible.

The grey soil zone contains about 31 million acres of which 10 per cent. is classed as arable and suitable for settlement. While surveys have not been completed in this area, it has been estimated that 3 million acres are suitable for cultivation, most of which are at present only partially settled. The maximum that might be suitable for cultivation in this soil zone would, according to the Soils Department of the University of Saskatchewan not exceed 5 or 6 million acres. Any use of this land for settlement would necessitate governmental assistance in clearing and land preparation so that the settler might have a reasonable opportunity of becoming self-sustaining. Transportation and social services should form part of any settlement programme.

This soil zone is heavily treed and cost of clearing would be high and would require the use of large equipment. Experience in this area indicates that at least 70 to 80 acres of land should be cleared before a settler can be established. In parts of this zone, it would be necessary to develop drainage projects as large areas require lowering of the water table before satisfactory results could be obtained in a farming programme.

Settlement in northern Saskatchewan has not, in the past, been completely supervised and many of the settlers coming into this area established homes on submarginal land. Every effort has been made by the Northern Areas Branch to move these people to suitable locations. As to the farming possibilities of this area it states that:

"It is because of the great variety of crops that can be grown, such as cereals, fodder crops (legumes and grasses), vegetables and small fruits, that agriculture is more stable and a reasonably good living more assured than on the lighter, wheat crop prairie soils. Abundant water supplies over the greater part of the north and high producing fodder crops are combining in making livestock production a quite profitable enterprise on many farms."

There should be an immediate survey to determine the suitable farm land in the grey soil zone. When this area is clearly defined there should be a permanent line of demarcation from the forest area and no farm settlement allowed to take place which might prove a menace to forest production. The enlargement of settlement areas has meant a duplication of work by the forestry branch in re-establishing fireguards. If a complete land and engineering survey were made and settlement areas determined, then the forest reserves could be definitely defined and fire protection permanently established.

As this area provides the greatest possibility of new land for settlement, the Council recommends that the survey of this soil zone be completed.

Wheat Economy

The returns from agriculture in Saskatchewan are based on a wheat economy. The climate is such that in large portions of the province the crops produced must be those which give a maximum yield with a minimum of moisture. It has been thoroughly demonstrated, under both experimental and actual farm conditions, that wheat and grass crops are most suited to the open prairie areas. The development of new improved varieties of wheat suitable for our climatic conditions permits of Saskatchewan farmers producing some of the highest quality wheat for food in the world. This is largely due to the effective use of moisture, the type of our wheat soils and the daily variation in temperature during the growing season.

The total estimated gross cash income to farmers of Saskatchewan from 1920 to 1943 was \$4,303,000,000 of which \$3,006,000,000 or 69.85 per cent. was from wheat. During this same period the total production of wheat was 4,515,000,000 bushels. However, the extreme variation in the amount of annual, as well as seasonal precipitation, leads to wide fluctuations in crop production. In 1937 the total production of wheat was 36 million bushels with an average yield of 2.6 bushels per acre; while in 1928 the production was 321 million bushels and an average yield of 23.3 bushels per acre.

It has been estimated that the annual loss from pests, such as sawfly, cutworms, wireworms, and grasshoppers, is \$18 058,000. The average yearly loss from hail is estimated at \$3,000,000. A few years ago rust destroyed the grain crop in large sections of Saskatchewan, but the development of new varieties overcame this problem. The depredation of weeds has been a source of continual loss of crop production. Infestation of new varieties requires constant research to determine methods of control as

losses in revenue from these "robber" plants have been enormous.

In addition to hazards of production, fluctuations in prices have made it impossible for farmers to develop a well-balanced economy. Prices reached a disastrously low level during the "thirties". Hence, if agriculture is to be stabilized so that the farmer may have a reasonable security of income, it is essential that a price fixing policy for farm crops be assured on a reasonable parity with other commodities. A period of low crop yields and low prices for farm products may impose the further hazard of possible loss of the encumbered farm. In recognition of this possibility, since the home and the farm are the same, Provincial and Dominion legislation was enacted during the depression years to protect the farmer from unjust foreclosure and to allow for voluntary and compulsory debt adjustment.

The Council believes that this legislation should be continued and recommends that the Government of Saskatchewan investigate proceedings under the Farmers' Creditors' Arrangement Act of 1943 to determine if they are proving satisfactory. If amendments are necessary to put the competent farmer in a position of security, then representations should be made to the Dominion Government for changes in the Act to meet the situation.

Evidence submitted by the Canadian Society of Technical Agriculturists of Saskatoon indicates the necessity of achieving a reasonable level of income and maintaining a balance between the size and output of agricultural industry, and export and domestic demand. Factors associated with the level of income are prices, yields, level of costs, size of farm, income distribution or farm type and individual management. Diversification of production cannot by itself bring stability of income without consideration of market requirements.

While the best utilization of farm lands in Saskatchewan will make it possible for farmers to increase greatly production of livestock and livestock products, yet in a great portion of the province, wheat will continue to be the main crop. The increased mechanization of farms and new techniques of crop production make it possible for fewer producers to handle the larger areas of land and raise more grain per unit of labour. The return for wheat would appear to act as the indicator for the price of other farm products. Therefore, the large quantity of high quality wheat produced over the years would indicate that the free flow of this commodity to export markets is essential for the stability of agriculture. This is a problem of national import and it is obvious that a programme of absolute free trade is one which would be of very great importance to the farmer of Saskatchewan.

In the sale of any product the cost of reaching the market is an important factor in the return to the primary producer. A large factor in placing Saskatchewan wheat on the ultimate market is transportation. A considerable portion of this cost is the long rail haul to tidewater. This haul would be greatly reduced by a full use of the facilities presently established on Hudson's Bay. The Council therefore recommends that as a post-war programme the facilities at

Churchill be enlarged and railway programmes developed to permit a greater use of this short rail and water route to world markets.

The position of wheat production and comparison of the estimated gross cash income from the sale of farm products and the yearly variation in returns from farming is summarized in tables III. and IV.

TABLE III.
ESTIMATED GROSS CASH INCOME FROM THE SALE OF FARM
PRODUCTS IN SASKATCHEWAN, 1920-43x
(Thousands Dollars)

Years	Wheat	Coarse Grains & Flax Seed	Live- stock	Dairy	Poultry	Miscel- laneous	Dominion Bonus Payments	Total
1920	170,128	24,157	10,963	7,200	2,900	400	.....	215,748
1921	121,013	15,400	4,404	5,100	3,500	140	.....	149,557
1922	172,718	19,829	7,427	5,400	3,200	231	.....	208,805
1923	156,966	20,817	7,570	5,800	3,200	158	.....	194,511
1924	149,376	24,134	10,972	7,407	3,147	154	.....	195,190
1925	285,271	22,723	13,832	8,377	3,543	148	.....	333,894
1926	240,280	17,260	18,020	6,980	3,190	3,470	.....	289,200
1927	216,300	21,860	18,730	6,530	3,200	3,180	.....	269,800
1928	256,380	29,340	20,070	6,950	2,980	3,780	.....	319,500
1929	184,340	22,750	21,600	7,960	3,010	3,240	.....	242,900
1930	86,790	9,670	14,530	6,430	3,100	3,180	.....	123,700
1931	44,210	5,260	11,230	5,480	1,540	2,290	.....	70,000
1932	55,100	3,820	7,240	4,270	1,040	1,930	.....	73,400
1933	52,860	5,180	7,900	4,290	1,230	1,940	.....	73,400
1934	61,330	7,980	12,770	4,800	1,800	3,120	.....	91,800
1935	74,640	5,970	16,910	5,220	2,070	3,390	.....	108,200
1936	75,650	11,020	21,260	6,030	1,920	3,120	.....	119,000
1937	34,825	5,228	31,269	6,805	1,990	2,735	.....	82,852
1938	64,256	3,301	11,035	7,019	2,074	2,558	.....	90,243
1939	119,986	7,356	15,352	6,113	3,750	3,306	1,686	157,549
1940	101,460	7,322	25,119	7,375	4,374	3,779	6,686	156,115
1941	88,661	11,851	35,412	12,934	8,841	4,256	18,863	180,818
1942	75,005	35,184	48,837	16,322	14,984	5,135	32,723	228,190
1943xx	118,427	77,644	69,135	20,114	18,795	7,022	17,400	328,837
TOTAL INCOME ..	3,005,972	415,046	461,887	180,906	99,378	62,662	77,358	4,303,209
(1920-43)								
% of Total Income	69.85	9.65	10.73	4.20	2.31	1.46	1.80	100.00

x Supplied by the Secretary of Statistics, Department of Agriculture, Regina, for period 1920-25; 1926-43, Dominion Bureau Statistics.

xx Provisional; subject to revision.

TABLE IV.
Saskatchewan
Comparative Statement of Acreage, Yield and Production
1920-1943
Wheat

Year	Acreage	Yield (bus.)	Production (bus.)
1920	10,061,069	11.2	113,135,274
1921	13,556,708	13.7	188,000,000
1922	12,332,297	20.2	250,167,000
1923	12,791,000	21.2	271,622,000
1924	13,033,000	10.2	132,918,000
1925	13,002,741	18.5	240,551,000
1926	13,558,384	16.2	219,646,000
1927	12,979,279	19.5	252,500,300
1928	13,790,854	23.3	321,215,000
1929	14,445,286	11.1	160,565,000
1930	14,326,000	14.4	206,700,000
1931	15,026,185	8.8	132,466,000
1932	15,543,000	13.6	211,551,000
1933	14,743,000	8.7	128,004,000
1934	13,262,000	8.6	114,200,000
1935	13,206,000	10.8	142,198,000
1936	14,744,000	7.5	110,000,000
1937	13,893,000	2.6	36,000,000
1938	13,793,000	10.0	137,800,000
1939	14,233,000	19.1	271,300,000
1940	15,571,000	17.1	266,700,000
1941	12,217,000	12.0	147,000,000
1942	12,353,000	24.7	305,000,000
1943	10,260,000	15.2	156,000,000
Total			4,515,238,574
Average	13,446,700	14.0	188,134,941

A study of these tables emphasizes the increase in coarse grain and livestock production since 1940. This is partly accounted for by the fact that during the war years the requirements of Great Britain (our principal customer) for certain types of livestock and livestock products have resulted in large increases in the price of these products, which, together with bonuses, have materially influenced the production of these commodities. In addition, the quota system for the delivery of wheat, and wheat acreage reduction payments have tended to lower the gross cash income from the sale of wheat. It should be mentioned here that various types of Dominion bonus payments, including Crop Failure and Prairie Farm Assistance have, since 1939, amounted to over \$77,000,000 in Saskatchewan.

During the year 1942 the estimated gross cash income from livestock, dairy and poultry actually exceeded the returns from

wheat, while in 1943, the estimated return from these three livestock groups is only \$10,000,000 short of the return from wheat. The same condition existed in 1937, but was accounted for by the fact that the wheat crop was almost a complete failure that year and livestock had to be sold because of lack of feed.

Increased production of livestock has focussed attention on losses sustained through animal diseases. The spectacular outbreak of encephalomyelitis among horses emphasized the shortage of trained veterinarians to meet such an emergency. Losses in hogs, poultry, sheep, cattle and other types of livestock are hazards requiring immediate attention. It is apparent that the greatly increased livestock population increases the necessity for veterinary services. This will be discussed under the section on Livestock.

So far emphasis has been placed on the position of agriculture in the economy of Saskatchewan and the hazards of crop production. It is necessary, if stability is to be obtained, that definite programmes be prepared for post-war agriculture. The following table summarizes, in concise manner, the position of agriculture at various census periods.

TABLE V.
Summary of Position of Agriculture in Saskatchewan

Census Year	1921	1931	1936	1941
Population	757,510	921,785	931,547	895,992
Urban	218,958	290,905	280,273	295,146
Rural	538,552	630,880	651,274	600,846
Occupied Farm Units (1).....	111,089	120,045	122,672	120,493
Size of Farms (2) (acres).....	396.3	463.8	463.9	497.6
Improved Acreage	25,037,401	33,548,988	33,631,608	35,577,320
Unimproved Acreage	18,985,506	22,124,472	23,272,031	24,383,607
Gross cash income from sale of agricultural products	\$149,557,000	\$ 70,000,000	\$119,000,000	\$180,818,000 *
Gross value agricultural product'n	\$258,265,000	\$107,427,000	\$191,021,000	\$205,781,000

Note—* includes \$18,863,000 bonus payments.

(1) Exclusive of those described in the census as "non-resident" which in most cases are parts of other farms in adjoining enumeration districts.

(2) Based on number of occupied farm units.

To develop a programme of stabilization for agriculture in Saskatchewan, we require a complete knowledge of the soils, a diversification of crop production, and a programme of proper land utilization and classification. This visualizes the protection of our agricultural lands and a conservation of this our most valuable natural resource.

The present survey of land resources has been covered by a reconnaissance and mapping of over 67 million acres and more detailed investigations by the Soils Department of the University of Saskatchewan of 142,650 acres. This work was carried on with financial assistance from the Dominion and Provincial Governments. To complete the picture, the Department of Farm Management of the University of Saskatchewan and the Economics Branch of the Dominion Department of Agriculture have classified the land by quarter sections in 73 rural municipalities. This work should be continued as rapidly as possible with the ultimate object of covering all land in the Province.

As soil and economic surveys are completed, it will be possible to provide a long-term agricultural programme to bulwark the farmer against the hazards of production. The farmer, by the prudent exercise of good cropping and conservation practices, will be in a better position to combat the vagaries of nature.

While there are definite areas where wheat production is the soundest farming practice, the tendency to mining the soil should be curbed. This tendency has increased with increased mechanization of our farms. Dominion Experimental Farms, serving the

various farming areas of Saskatchewan, have developed cropping practices and rotations that maintain production without depleting the soil. Recommendations from these institutions urge the use of known cultural methods to control loss of soil by wind erosion. Demonstrations of methods of soil drift control have been widely used and publicised by the activities of the P.F.R.A. A complete dissemination of this information through agricultural, educational and extension services, was urged on the Council by Experimental Farm staffs, rural municipal bodies and various farm organization groups.

Submarginal Land

One of the biggest problems when considering farm stability is the proper utilization of what has been called "land submarginal for wheat production". The consensus of opinion is that land of this nature should be taken out of cereal production. Several individuals commented on the competition this land produced in years of good crop yields, by adding to the amount of wheat produced, thus encouraging settlement of such land. Experience has been that it is only in such years that this land produces a profitable crop.

The Experimental Station at Swift Current suggests development of the economic farm ranch unit, thus utilizing submarginal land. Experimental Farms at Indian Head, Scott and Melfort are convinced that this land should be seeded to grass and utilized for grazing purposes to give security to

livestock production, particularly in those areas where soil erosion by wind or water is a factor. The Canadian Society of Animal Production suggests the withdrawal of marginal and submarginal land from cereal production.

In view of all the evidence submitted, the Council recommends that a programme of sound land utilization be carried out through existing legislation to take this land out of cultivation. Where complete survey of this land demonstrates that the occupant has not been able to give the family a fair standard of living, municipal and governmental agencies should act and provide the proper correctives. If it is necessary to take this land out of production, nothing should be allowed to interfere with such action. The processes of tax enforcement, land exchange with actual transfer of families from poor lands to more productive soil areas, consolidation of holdings and perhaps consideration of the purchase of these lands, where deemed advisable, are measures to control this problem and to provide a proper land utilization programme.

The fertility of virgin prairie soils responds with such high crop production in years of above average precipitation that it has been easy to forget the difficult years of low yields. As a result there may be a tendency to increase land settlement by those agencies owning marginal or submarginal holdings. If an educational programme is not sufficient to control this practice, then government action should be exercised under the Land Utilization Act to prevent settlement and so avoid the hardships and suffering that occurred in the past where settlers were located on an uneconomic unit of poor land.

A large amount of vacant submarginal land is not being properly utilized. No organized effort has been made to consolidate holdings where settlement has been thinned. It is therefore suggested that the whole problem of land ownership and use in each municipality be reviewed by the Agricultural Representative of the Department of Agriculture, the Municipal Council and the Agricultural Committee of the Council with the object of suggesting a proper land use programme. Consideration might also be given in such a study to absentee ownership, where land is not being properly cared for, to the end that present legislation and regulations be made effective in the best interests of the community.

In a programme of proper land use to stabilize agriculture, it will be necessary to follow a long time policy of proper crop rotation. In this development, livestock are important as a means of consuming many products of the farm. Increased development and utilization of the grazing areas, with regrassing of lands unsuitable for cer-

eal production, will make available feed for livestock. It was suggested by the Swift Current Experimental Station that governmental action in purchasing and storing these supplies as insurance against drought years is the best means of assuring these feeds when they are required. This activity should be in addition to using every means to have reserves built up by individual effort.

Any increase in the production of livestock and livestock products must envision greater development of markets. If a programme of improved nutritional standards is followed, it would result in increased livestock as well as cereal production. The implementation of the conclusions of the United Nations Food Conference at Hot Springs and the fulfilment of the terms of the Atlantic Charter would provide considerable hope of security for the farmer of Saskatchewan in a post-war period. While such a programme would depend on international relationships, we can expect that Canadian activities on nutritional standards and health would be implemented. If this was associated with a high level of employment, then livestock and livestock products would play an important part in the stability of agriculture.

Weed Control

The control of weeds must form a part of any land utilization programme. Replies to a questionnaire sent out by the Saskatchewan Homemakers' Club indicated the need for an intensive programme of weed eradication and control. The Extension Department of the University provided factual information on crop losses due to weeds. Reports from Agricultural Representatives of the Department of Agriculture and from Rural Municipal Councils emphasize the menace of weed growth.

The Canadian Seed Growers Association suggested that attention should be given to providing clean seed, free from weeds. Individual farmers find it difficult to provide all the seed cleaning machinery necessary. There has been some experimental work in the use of municipal seed cleaning units and it is recommended by the Council that funds should be made available through the Department of Agriculture to assist in financing portable seed cleaning units. The rural municipalities might also assist in financing these units.

There is legislation available for municipal use in weed control but it is recognized that people cannot be legislated into weed eradicators. This can only be done through education and demonstration. It is suggested that the whole problem of weed control be studied with the object of developing a practical programme of weed eradication. The valuable research work on weed control

being done at the University of Saskatchewan should be continued and the results made available to the Agricultural Representatives, who would be in a position to use this information in the control of weed infestations.

Prairie Farm Rehabilitation Act

The Prairie Farm Rehabilitation Act came into operation during the period of drought and depression and has been instrumental in developing a programme of soil and water conservation, as well as sponsoring other activities for agricultural improvement. Water conservation is concerned with construction of dugouts, stock watering dams, small individual irrigation projects, pump irrigation and large scale irrigation development.

Representations were made to the Council from individuals, organizations, groups and municipalities, emphasizing the necessity of irrigation development as a means of providing work and giving security to the agricultural economy of Saskatchewan. Moose Jaw, Weyburn, Indian Head, Swift Current, Eastend, R.M. of Redburn No. 130, Regina Trades and Labor Council, R.M. of White Valley No. 49, Canadian Brotherhood of Railway Employees, Biggar, R.M. of Man-tario No. 262, Nipawin, Lucky Lake, Regina, Saskatoon, R.M. of Carmichael No. 109, Manufacturers' Association, Prince Albert, Sturgis, Estevan, Watrous, R.M. of Moose Creek No. 33, Carievale, Maidstone, R.M. of Turtle River No. 469, Carlyle, Medstead, R.M. of Meeting Lake No. 466, and many individuals requested consideration for surveys, and construction of dams, reservoirs and irrigation projects.

These widespread requests, from every section of the Province, would appear to be an indication of the enormous amount of public interest in water conservation and a recognition in its value in crop security and as a means of assuring feed supplies for Saskatchewan farmers in drought periods.

Saskatchewan agriculture has always had to face the hazard of recurring periods of drought. The first of which we have record extended from 1838 to 1848, when lakes dried up, prairie grass burned and native livestock had to migrate to other areas. Another period of drought extended from 1885 to 1895, with the result that many settlers had to find new locations. Then there was the recent period of drought, extending with various degrees of severity, from 1929 to 1939, culminating in the year 1937 with almost complete crop failure, when only 36 million bushels of wheat were produced in Saskatchewan, compared to 321 million bushels in 1928.

In this latest and most severe drought period in the experience of the people of

Saskatchewan since the province was formed, it became necessary for the nation as a whole to come to the assistance of the farming population. Therefore, any programme of rehabilitation or reconstruction must provide adequately for these recurring periods of drought.

In consequence of these conditions, organized efforts were made toward a solution by the passing of the Prairie Farm Rehabilitation Act. This Act authorized the establishment of administrative agencies for the development of water conservation, community pastures and improved cultural practices.

A water conservation programme is particularly suited to the semi-arid conditions of Saskatchewan. In carrying it out the Prairie Farm Rehabilitation Branch has had two main objectives—small water projects on individual farms and large irrigation systems. Enlargement of this programme would provide an immediate post-war activity for labour and industry, make land available for settlement and stabilize agriculture.

The total area estimated to be irrigable in Saskatchewan is 1,638,000 acres. While this is not large when compared to the 35 million acres of arable land now being cultivated, it would be particularly important when integrated with our dry land resources and would help to put agriculture on a sound basis.

Irrigation is one of the oldest known methods of farming and one of the earliest examples of the application of the science of engineering to agricultural practice. It has been a means of making otherwise barren land productive and providing for suitable and satisfactory land settlement. Irrigation offers one of the greatest opportunities for diversifying crops. It has been demonstrated, particularly in Southern Alberta, that the construction of a large irrigation project benefits not only the people on the land, but those in urban centres, and provides activity for many industries.

It is apparent therefore, that irrigation development merits special consideration in any post-war programme for Canada. It provides useful work for labour and industry in construction, makes land available for settlement and assures many man hours of work in providing the machinery necessary to prepare the land for settlement and home building. The full use of irrigation brings secondary industries directly into the community to process the products raised on the irrigated farm.

The potentialities of post-war irrigation development should be the subject of immediate research and planning so the information may be available at the earliest possible moment. The Economics Branch of the Dominion Department of Agriculture co-operating with the Farm Management Branch,

and the Soils Department of the University of Saskatchewan contemplate conducting a detailed economic survey of some of the proposed irrigable areas of Saskatchewan this year. A feature worthy of consideration is the suggestion of the Co-operative Wheat Producers Ltd., that "markets for the products to be grown should be assured."

The economic survey should study the integration of irrigated and dry land resources of the area. Too often this feature has not been given consideration in irrigation development. An irrigation block makes feed available, permits of diversification of crop production and increases agricultural stability, but when the irrigated land is definitely associated with dry land resources, the benefits to the economic life of the country are greatly increased.

In the investigation, planning and development of any large irrigation project there should be participation by the local people. The success of the project may depend largely on this co-operation. These investigations should be undertaken immediately so that there may be no delay in developing those irrigation projects found satisfactory.

It is the belief of the Council that the capital expenditure for the complete development of large irrigation projects, found feasible, should be a function of the Dominion Government as a post-war activity. The Provincial and Municipal Governments should make available any land they own within the boundaries of these projects for settlement purposes. The individual land owners should offer their surplus land at a reasonable dry land price to incoming settlers so that all may benefit from the security that irrigation gives to agriculture. Consideration should be given to preventing exorbitant prices being charged for irrigable land where development has been through the use of public funds, and some method of price control adopted.

The full development of large scale irrigation necessitates the proper levelling of the land before settlement. It is also essential to have demonstrations to show the new settler the intricacies of watering the land, and there should be a complete agricultural educational plan worked out for each project with an agriculturist located on the project.

Small Irrigation Projects

This type of irrigation is not new in Saskatchewan. It was first practised by the early ranchers in the Cypress Hills area, who realized the benefit of flooding the low lands to provide winter feed for their livestock. Such development provides an opportunity for the proper utilization of the large areas of native grazing lands located in the

short grass plains section of Saskatchewan. It is not an exaggeration to say that every acre of irrigated land developed in a ranching area stabilizes the agriculture on 20 acres or more of dry land. The irrigated acre provides the winter feed requirements of the livestock which pasture on the nearby grazing land. If the irrigable lands are allocated to individual settlers and the grazing areas formed into well developed and properly managed pastures, it is possible to re-establish a large number of settlers and make them self-sustaining even in periods such as the drought years mentioned previously.

The activities of P.F.R.A. have stimulated the programme of conserving the water run-off on individual farms. Engineers of the P.F.R.A., in co-operation with the Water Rights Branch of the Provincial Department of Natural Resources, survey the possibility of irrigation on the individual farm. A conservation and distribution system is designed to suit the particular type of land and water run-off. The farmer is advised and supervised in the construction of the project. From such a system, when completed, a farmer may be able to irrigate (according to the projects presently constructed) from half an acre up to several hundred acres on his own property. The smaller projects have their usefulness in assuring a garden. Many of the larger individual projects are spring flood, (i.e., the run-off coming in the spring of the year is controlled by dykes on the flat land and usually the soil receives only one irrigation). Such projects are used chiefly in the production of hay and pasture crops and occasionally grain. At present 288 of these projects have been developed by P.F.R.A., capable of irrigating 15,000 acres.

Some locations permit of storing the run-off in small reservoirs where it is available for use during the drier season of the year. These projects are useful for the farm garden and if there is sufficient water and land, it is possible to produce hay and coarse grains for livestock. There are 191 of these projects in Saskatchewan under P.F.R.A., with an irrigable area of 3,000 acres.

Another system is the lifting of water by means of a pump from a storage supply, such as a reservoir, dugout, river or creek. This type of development is particularly valuable where cheap power is available, or where a crop of high value is being produced. Many farmers are using this type of project to assure a garden. When the water supply is sufficient, grain and fodder crops are being irrigated.

When the irrigation project has been completed on the individual farm, the Provincial Department of Agriculture assumes responsibility for a follow-up programme to show the farmer how to use the water and advise

him as to what crops to plant. This should form a definite part of the activities of the Agricultural Representatives.

The small water development programme has been particularly beneficial. If the farmer can irrigate ten to twenty acres of land, with a permanent water supply from a reservoir or other source, it is possible for him to provide food for his family and livestock, even in the driest year. Such development greatly decreases the necessity for relief and gives more security to the farm home.

Another type of small water development that has been expanded due to the activity of the Prairie Farm Rehabilitation Branch is the construction of stock watering dams and dugouts. One of the great problems of livestock production on the prairies of Saskatchewan has been the lack of an assured water supply. Enormous sums of money and a considerable amount of labour have been expended by prairie farmers in trying to locate a water supply. The construction of stock watering dams where water run-off is available and the digging of dugouts have been the means of providing water, thus stabilizing the livestock industry in Saskatchewan. The dugout may be dug on the level prairie and, by erecting a temporary snow fence around it, snow can be trapped to help fill it with water for livestock and household use. A more permanent snow trap is obtained by planting trees.

A more recent use of the dugout has been to provide water for the farm garden. This has necessitated the use of a pump to lift water to surface level. The Saskatchewan farmer has demonstrated his ingenuity by making a pump which can be operated by a stationary engine or farm tractor. Small commercial pumps operated by stationary engines, or electric power where available, provide ideal units for taking water from a dugout to irrigate the garden. It should be remembered that if the dugout is constructed for stock watering purposes, it cannot be used for irrigation. We believe that where irrigation of a garden would be profitable, another dugout should be constructed, or one large enough to fill the requirements of both livestock and irrigation.

When it is realized that during the era of relief it was necessary for the Dominion and Provincial Governments, in association with the rural municipalities, to distribute enormous quantities of vegetables in order that the population might survive, it is a matter of primary importance that small water development by the Prairie Farm Rehabilitation Branch should be continued and expanded as a self-help programme for the farmers of Saskatchewan. It is the belief of the Council that the possibilities of this type of development are almost unlimited and that there should be water conservation

on as many of the 120,000 farms in Saskatchewan as possible. In any land settlement programme, particularly soldier re-establishment, there should be a dugout or small irrigation development on every farm so that there will be a water supply for the family and livestock. By this development, a garden could be guaranteed, and where sufficient water and suitable land are available, feed for livestock could be produced. One important phase of water conservation is storing water in dugouts but in many types of soil large power equipment is necessary to construct them. This same equipment can be used for road construction. If the municipalities had this type of machinery it could be used to construct dugouts thus enabling farmers to take advantage of this phase of the P.F.R.A. water conservation programme. Water conservation on individual farms will eliminate one of the hazards of livestock production and permit a better utilization of millions of acres of sub-marginal land in Saskatchewan. From information presented, the Council believes such a programme would require the expenditure of \$500,000 a year for a period of ten years.

A summary of small water development in Saskatchewan shows that 9,250 dugouts have been completed, as well as 2,733 stock watering dams and 634 individual irrigation projects. The total cost to date is \$1,400,000. This programme has made it possible for many Saskatchewan farmers to become more permanently established and has eliminated some of the hardships resulting from crop failure. The individual irrigation project helps to rehabilitate the farmer on the land on which he is presently living, assures him of a garden to produce food for his family, feed for his livestock and gives him an opportunity to develop suitable home surroundings. This assistance should be available to every settler in Saskatchewan.

Another type of small water development is that undertaken by Ducks Unlimited. This is an organization financed entirely by American sportsmen who developed a programme of water conservation and feeding grounds for water fowl. They began operations in 1938 and so far their activities have been confined to the three Prairie Provinces. Since the inception of their programme they have completed 66 projects in Saskatchewan. The water conservation work of this organization is widespread and in the opinion of the Council worthy of the highest commendation. A continuation of this activity is of particular benefit to Saskatchewan.

Large Irrigation Development

Mr. G. Spence, Director of Prairie Farm Rehabilitation Branch, and Mr. B. Russell, his Chief Engineer, presented a programme of water conservation. The Council wishes

to emphasize the importance of this in Saskatchewan economy. The projects proposed are located in areas where drought occurs with considerable frequency, and hence are very important in stabilizing agriculture.

It is not necessary to emphasize the conditions that can arise in a province such as Saskatchewan, where our economy is based on agriculture and where wheat has been the principal cereal crop. In the past it has been an experience well known to all, that surpluses can be produced which not only prove an embarrassment to the nation, but bring returns that lower the standard of living of the people on the farm. Therefore, any programme that tends to diversify agriculture is one in which all are vitally interested.

The development of large irrigation systems, involving the construction of reservoirs and distributing canals to carry water to thousands of acres of land, would provide labour for a large number of people. Following the initial development, labour and industry would again be called upon to provide the machinery necessary for the preparation and maintenance of the irrigated lands. Under this type of farming we get away from the one crop system at present practised in large areas in Saskatchewan. The irrigated farm produces a variety of crops in order to maintain soil fertility and control weed and insect pests. The production per acre is higher and more labour units are required per acre of land. This means smaller farms, more concentrated population, greater security of crop returns, elimination of many of the hazards of dry land prairie farming and provides opportunity to develop better home surroundings and community activities.

The climatic and soil conditions of Saskatchewan plains area are suitable for irrigation. The variety of crops and the greater certainty of production where irrigation is practised make it possible to develop secondary industries. Canning factories to process peas, beans, corn, tomatoes and vegetables of various kinds give work to labour and industry and provide a market for the products of the irrigated farm. In those areas where sugar beets can be produced, sugar refineries provide part-time work for local labour. The intensive nature of sugar beet production requires a large amount of labour. Sugar beets are a cash crop and the by-products, such as sugar beet tops, beet pulp and molasses, are useful in livestock production.

We are only beginning to realize the productive possibilities of irrigated land. The returns from the irrigated farm are reflected directly in business activity of the urban centres in an irrigated area and provide a market for the manufactured goods and machinery of Eastern Canada. It is hardly

necessary to state that development of large irrigation systems to the point where they are producing to capacity will provide enormously increased activity for all transportation systems.

The basis of successful irrigation farming is the production of livestock. Of these, dairy cattle, hogs, poultry and the feeding of cattle and sheep, tend to enrich the agricultural life of the community.

The increased carrying capacity of irrigated pastures tends to increased production of livestock, particularly dairy cattle and hogs. This means more cheese and creamery plants, packing plants and other industries to process the livestock products produced under irrigation.

The greatest contribution of irrigation development to prairie agriculture is land settlement and home building. The irrigated farms of Alberta have an average of from 116 to 120 acres of irrigable land. The present dry land farms in the area where irrigation can be developed in Saskatchewan are three or four times this size. Therefore, the settlement of such areas under irrigation farming would greatly increase the population. It has been demonstrated in Alberta that for every family on an irrigated farm there is another family in a village, town or city to provide services. The importance of the development of the estimated 1,638,000 acres of irrigable land in Saskatchewan in a programme of rehabilitation, settlement and works projects cannot be over emphasized.

During the drought years the Dominion and Provincial Governments provided relief services in Saskatchewan, from 1929-30 to 1938-39, totalling \$145,000,000 exclusive of roadwork and farm placement plan. Of this amount, \$28,000,000 was for feed and fodder for livestock. This expenditure was on the basis of keeping only foundation stock, which meant that when better production years came to Saskatchewan, it was necessary for the farmer to build up his depleted herds. Much of the money for this feed was spent in other provinces of Canada and in the United States so that transportation greatly enhanced the cost of a ton of feed. If, at that time, there had been large irrigation systems in operation in Saskatchewan, this money could have been paid to our own farmers and there would have been a great saving in transportation costs.

Three relatively small irrigation projects have been developed in Saskatchewan under P.F.R.A.. These are Val Marie, Maple Creek and Eastend, with a total of 14,549 acres of irrigable land. A considerable portion of this is settled and the balance is being reserved for post-war settlement. At present 126 settlers are on the land and it is estimated that 74 more families can be estab-

lished as self-sustaining units. Previous to irrigation there were only 35 farmers on this land and during the drought period most of them were relief recipients. Today, not only are the settlers producing their own requirements, but large quantities of products including alfalfa meal and livestock are being shipped to other areas in Saskatchewan. An important feature of these particular irrigation projects is that they are adjacent to large blocks of grazing land providing summer range for livestock that can be fattened in the winter months with feed grown on the irrigated land.

One of the great assets of Saskatchewan is the farm population. The development of home surroundings on the farm should be part of any post-war programme. Under irrigation it is possible to have home surroundings that give a maximum of beauty with a minimum of expenditure. The home and farm buildings can be protected from the wind by trees and shrubs. Gardens so protected give a production limited only by the energy of the farmer. The home may be beautified by ornamental hedges, shrubbery and flowers so that the whole appearance of the farmstead will rival that of the urban dwelling. Such conditions would contribute greatly to the satisfaction of rural life.

Proposed Large Irrigation Projects

When Mr. Spence appeared before the Council, he indicated a number of large irrigation projects that could be developed in Saskatchewan. These were divided into four groups:

1. Projects ready for immediate construction.
2. Projects practically ready for construction.
3. Projects where preliminary investigations have been made.
4. Projects where only reconnaissance surveys have been made.

Group 1. Projects ready for immediate construction:

Project	Estimated Irrigable Area Acres	Estimated Cost
Assiniboine River Development		\$ 71,000
Notukeu Creek-Vanguard	4,000	160,000
Swift Current District	25,000	1,241,000 (a)
Total	29,000	\$1,472,000

(a) Total cost estimated at \$1,500,000, of which \$259,000 was spent on project during the years 1941 and 1942.

The Assiniboine River Development contemplates construction of units to conserve the water supply of the Assiniboine River for irrigation, municipal, industrial and other purposes. A large amount of this work and the consequent benefit would accrue to the Province of Manitoba. In Saskatchewan the proposed development consists of two connected reservoirs, one at Annie Laurie Lake and the other at Lomond Lake, providing a combined capacity of 10,000 acre feet of water. The Council recommends that this project be proceeded with as a post-war activity.

Notukeu Creek-Vanguard irrigation project would provide water for 4,000 acres of land suitable for development and settlement at an estimated cost of \$160,000. This district is in the drought area of Saskatchewan, and irrigation would alleviate many of the hazards of crop production. The proposed irrigation block would provide homes for at least 40 settlers. The land in this area is particularly suitable for irrigation. Climatic and soil conditions are quite satisfactory for the crops that are most adapted to irrigation. Pump irrigation is at present practised on a small scale by some farmers and the results have been very encouraging. The Council therefore recommends that, if engineering and land control features prove satisfactory, the project be constructed.

The Swift Current irrigation district development is designed to provide water for 25,000 acres of land at an estimated construction cost of \$1,500,000. Expenditure during 1941 and 1942 was \$259,000 in building a reservoir on Swift Current Creek at Duncairn and another near Highfield on Rush Lake Creek. The main canal near Swift Current has been constructed and a portion of the drainage canal at Rush Lake is completed.

Included in this project are seven or eight thousand acres of land owned by the Government of Saskatchewan and certain rural municipalities. Some of these lands could be used for settlement of young men in this district who at present are in the armed services. The privately owned lands, with few exceptions, have areas of 50 to 100 acres which could be irrigated. This would provide an economic unit and give these farmers security of production, regardless of the vagaries of the weather. It was suggested in the Swift Current presentation to the Council that title to all irrigable land should be in the Crown.

Climatic and soil conditions are considered by the Dominion Experimental Station at Swift Current, as favourable for irrigation. The completion of this project would greatly expand the business activity of the City of Swift Current and help stabilize agriculture in the district. The Council recommends that this project be completed

as rapidly as possible so that it may be available for post-war development. Every assistance and encouragement toward this end should be given by the Government of Saskatchewan.

Group 2. Projects practically ready for construction:

Project	Estimated Irrigable Area Acres	Estimated Cost
Avonlea-Rouleau	4,400	\$ 200,000
Bear Creek Storage..10,000		300,000
Prince Albert Dam.....		400,000
Souris River	3,000	120,000
Wascana Creek		55,000
Total	17,400	\$1,075,000

The Avonlea-Rouleau development contemplates the construction of an earth fill dam to store the flood waters of Avonlea Creek for irrigation and stock watering purposes. The water would be used to irrigate a tract of land along the creek.

Reasonably good results have been obtained by individuals in this district who have projects being irrigated by spring run-off.

A complete soil survey has been made of the proposed irrigable land and the tests indicate that most of the area is heavy clay not especially receptive of water. It would be necessary to develop special farming methods on this type of the land for successful use of water. An agricultural survey of this area should be made to locate the most suitable land for irrigation.

The Council recommends the construction of the storage facilities and urges an immediate survey for the selection of the most suitable irrigable areas.

Bear Creek Storage is designed to conserve the flood water of Bear Creek for irrigating lands along Bear Creek or Piapot Creek or both. This construction would store water to irrigate 10,000 acres of land at a cost of \$300,000.

This project is within the drought area in a district where climatic conditions assure satisfactory results from irrigation. Some irrigation is at present being practised to produce feed for livestock. It is suggested by P.F.R.A., that there is sufficient good irrigable land along Bear Creek to use the water in the proposed storage scheme. The Council therefore recommends that this project be proceeded with and that the suitable lands be defined and a satisfactory agricultural programme be outlined to make full use of the grazing and ranching lands in this district.

A dam is proposed at Prince Albert on the North Saskatchewan River to create a pond of water for amphibious planes serving the north country. Post-war aeroplane activity for Northern Saskatchewan will undoubtedly increase and the construction of this dam is recommended as one phase of the North Saskatchewan River water development.

The Souris River water development is proposed to make use of Canada's share of the water from this international stream for irrigation, stock watering and other purposes. The project is located along the Souris River Valley between Estevan and the boundary.

Considerable development of storage, for stock watering and irrigation, has already been done by P.F.R.A., and this proposed extension would irrigate an additional 3,000 acres of land at an estimated cost of \$120,000. There is a very extensive livestock industry in this district which would be greatly benefited.

The Estevan Water Development Committee and the South Eastern Saskatchewan Development Association, in their presentation to the Council suggested investigation of additional irrigation projects that could be developed by water conservation on Long Creek, Moose Jaw Creek and the Souris River. Reservoirs would be constructed and the water applied to the land by pumping.

The Council recommends that the Souris River water development be proceeded with as a post-war project so that Saskatchewan may obtain beneficial use of the Canadian share of this international waterway. It is further recommended that there should be a survey of the possibilities of water conservation of the whole drainage basin in Southeastern Saskatchewan.

Wascana Creek survey has been practically completed and contemplates the conservation of the water supply from this drainage basin for beneficial use. The proposed works would regulate the flow of the stream and consist of an earth fill dam with syphon type spillway, capable of discharging 25,000 cubic feet per second. This development would maintain storage and provide water for sanitary and other purposes for a considerable number of rural and urban dwellers.

The Council believes this project should be constructed as part of the water conservation programme of Southern Saskatchewan.

The development of the projects listed in these two groups would cost \$2,547,000 and on the estimate of Mr. B. Russell, Chief Engineer of the Prairie Farm Rehabilitation Branch, about 60 per cent. of this would be for labour. This would provide employment

in construction for 350 men for a period of three years. The blue-prints should be ready so that the programme could be developed as one of the first projects in water conservation in Saskatchewan after the war. Its completion would enable the farmer to improve his economic position.

Group 3. Projects where preliminary investigations have been made:

Project	Estimated Irrigable Area Acres	Estimated Cost
North Sask. Project (a)		
South Sask. Pump.....	10,000	\$ 100,000
Battle River Irriga- tion	10,000	300,000
North Cypress Hills	1,700	51,000
Pike Lake Irrigation	10,000	200,000
Qu'Appelle Valley	30,000	900,000
South Cypress Hills..	8,000	360,000

(a) This project and alternatives being discussed in a special section.

This is a group of projects in which preliminary investigations have been made, and more complete surveys, both engineering and agricultural, would have to be made to determine the position they would occupy in Saskatchewan economy.

The South Saskatchewan pump irrigation project proposes to use water from the river to irrigate the flats in the river valley. The lift from the water to the level of the land to be irrigated would not be too high for profitable use. There are a number of places along the river where this type of irrigation could be used. The use of this system would enable the farmer to produce food for his family and perhaps some feed for livestock, where suitable land was available. This development would be of great value to those people living along the river and the Council would recommend that surveys be completed at the earliest moment to determine the number and feasibility of these projects.

The Battle River irrigation would provide water conservation from Driedmeat Lake to the junction of the river with the North Saskatchewan at North Battleford. Storage facilities would be constructed and the water applied to the land by pumping. Several projects of this nature are already in operation on the Battle River and have proven very successful. This development should be further explored.

The North and South Cypress Hills irrigation proposes, by conservation and regulation, to obtain more complete use of the water supplies of this drainage area. Considerable development has already been

accomplished, but additional surveys are required to determine the irrigable areas and reservoir sites.

The success of the projects already completed emphasizes the necessity of having the whole area surveyed at once. This part of Saskatchewan is handicapped by lack of moisture. Irrigation development would be a means of assuring feed supplies for livestock and provide diversification of crop production. Many parcels of land classed as submarginal for wheat production, because of insufficient moisture, would produce abundantly with irrigation and provide land for settlement.

Pike Lake irrigation would have as the source of supply, water from the South Saskatchewan River just south of the City of Saskatoon. Preliminary surveys indicate that it is feasible to pump water from the river to irrigate from 6,000 to 10,000 acres. One or two private pump irrigation projects are already in operation and have proven quite satisfactory. An agricultural survey should be undertaken to determine the desirability of this project.

Qu'Appelle Valley development is to create facilities, such as reservoirs, gravity canals and pumping plants to irrigate land along the valley. Some dams have been built to store water in various lakes in the valley.

An additional water supply could be obtained by pumping water from the South Saskatchewan over the height of land. The full development of this scheme would provide assurance of crop production and assist in maintaining and increasing livestock production.

Group 4. Projects where only reconnaissance surveys have been made:

Project	Estimated Irrigable Area Acres	Estimated Cost
North Sask. Pump..	200,000	\$6,000,000
South Sask. River Thunder Creek....	200,000	8,000,000

The North Saskatchewan pump project would take water from the North Saskatchewan River north of Saskatoon. The success of this development is dependent on a supply of low cost power which could be made available by hydro development of the rivers of Saskatchewan. Proposals for hydro are contained in other sections of this Report.

The South Saskatchewan project contemplates pumping water from the river near Riverhurst to irrigate 200,000 acres of land. This project was endorsed by the Board of Trade, Moose Jaw, and several other briefs

presented to the Council. If this scheme were developed, water would be available for the Cities of Regina and Moose Jaw. There would also be water for use in the Qu'Appelle Valley. Some survey work has been done but a complete and comprehensive survey is necessary in order to determine the feasibility of the scheme.

North Saskatchewan Irrigation Project

The only gravity irrigation project of any size proposed for Saskatchewan under the P.F.R.A. programme is the North Saskatchewan system. This visualizes conserving the water from tributaries of the North Saskatchewan River for irrigation of land in Alberta and Saskatchewan.

Several alternatives have been proposed by the engineers. One proposal is to store the water of the North Saskatchewan River in Buffalo Lake and Sullivan Lake in Alberta and by a system of canals and creeks, transport it to the land to be irrigated. One project considered to be economical would irrigate 900,000 acres (about 450,000 acres would be in Saskatchewan) at a total estimated cost of \$39,375,000.

This development involves the construction of a number of small reservoirs on the tributaries of the Red Deer and Clearwater Rivers to store flood waters and make them available for irrigation when required.

Another proposal is to pump water as an addition to the gravity system and irrigate a total of 1,411,000 acres at a total cost of \$105,600,000. The dams necessary to store the water for this project would make it possible to develop considerable power, part of which would be used to pump water for irrigation and the balance would be available for distribution to the rural and urban population.

South Saskatchewan River Development

The South Saskatchewan River project has been suggested as an alternative to the above scheme. A dam would be constructed on the river north and west of the City of Swift Current. This proposal contemplates a diversion of water from Clearwater, Red Deer and North Saskatchewan Rivers west of the City of Red Deer as an additional supply for the South Saskatchewan River.

The water would be diverted by a dam into White Bear Lake storage reservoir by gravity and would command an area for irrigation of 800,000 acres between Elrose and Rosetown to Saskatoon. An additional 157,000 acres between Tichfield and Lucky Lake could be irrigated from the same water supply by pumping. The total estimated cost is \$40,000,000.

The development of this project if feasible is of particular value to Saskatchewan, as the water would be stored adjacent to the land to be irrigated. This would eliminate the long transportation of water required in the development of the North Saskatchewan project. Then, too, if the North Saskatchewan project were constructed, water could be taken to White Bear Lake Reservoir, thus increasing the water supply and making it possible to enlarge the irrigable area as well as assure a greater water supply for the irrigated land.

The farm settlement in the block of land it is proposed to irrigate could be increased under an irrigation economy by at least 6,500 families. This project is certainly feasible from an engineering point of view, but an agricultural survey should be made before any decision can be reached regarding its development.

While the direct benefit of this project would be to irrigate 800,000 acres of land, there would be the additional benefit of stabilizing the agriculture on the surrounding areas of dry land. A number of community pastures are already constructed and many others should be constructed, thus providing pasture for large numbers of livestock. Many acres of vacant land could be regressed and used by adjoining farm owners. This livestock programme could be assured of feed supplies from the irrigated land. Then too, reserves of feed could be built up to stabilize the livestock economy of the province.

The dam proposed on the South Saskatchewan River would provide a large amount of hydro-electric power. Some of this would be used to pump water to irrigate land, but a large amount would be available for distribution to rural and urban users. The amount of power available is estimated at 480,000,000 K.W. hours. In order to pump water to 157,000 acres between Tichfield and Lucky Lake, approximately 55,000,000 K.W. hours would be used. There would still be over twice as much power available as is presently consumed in Saskatchewan.

If this dam were constructed it would provide work for labour and industry. As a result we would have an irrigation tract providing for increased rural and urban settlement, security of crop returns, diversity of production, and stabilization of agriculture on a dry land area many times larger than the irrigated area. It would lead to the establishment of secondary industries, and develop a large amount of cheap electric power for distribution to rural and urban users. The dam could also be used as a highway across the South Saskatchewan River.

It is necessary that a very detailed study be made immediately of the soil conditions

and an educational programme be instituted to present the benefits of irrigation to the present residents of the area. Irrigation development would not be very rapid without the co-operation and active support of the people presently living in the district. The change from a dry land economy to an irrigation economy does not occur suddenly.

Climatic conditions of this area are not as suitable for irrigation as those in the irrigated areas of Southern Alberta. Crop failure ratio is only about 3 years in 10 in production of an average crop. Therefore, it is essential that an agricultural programme be developed to take advantage of the peculiar conditions in this district if an irrigation project is to be successful. This programme requires that educational work be instituted now to present the benefits of irrigation to the residents of the area. Extension workers in greater numbers than at present available may be needed to accomplish this. Engineers can provide the water for irrigation, but its use to the best advantage requires a remodelling of agricultural production, which is a big undertaking.

The Council is convinced of the importance of irrigation and believes that financial considerations of construction are of minor importance when compared with the improved welfare of the people, and the agricultural and economic stability accruing from this development. In order to determine the plan most suitable, the Council recommends an immediate and intensive investigation of the engineering possibilities and advantages of the different schemes. There should be a complete soil and irrigation survey from an agricultural viewpoint at the earliest possible moment, and an economic and farm survey to ascertain the farmer's attitude and his economic condition. Until these investigations are completed, no definite recommendation can be made as to the development of any particular one of the proposals for irrigation from the North or South Saskatchewan Rivers.

Many of the streams from which water would be used for irrigation, are inter-provincial. There should be proper co-ordination in the beneficial use of the water by the provinces affected. In order that this may be facilitated, the Council recommends that the Government use its immediate efforts to establish a Water Board, with representation from Alberta, Saskatchewan, Manitoba and the Dominion of Canada, to advise on the best use of the water of inter-provincial streams.

A knowledge of our water resources is required before a complete plan of water use can be prepared. Considerable information on stream flow is available but the data are by no means complete.

The flow of northern streams, from which hydro-power might be developed, should be known. Water supplies in other portions of Saskatchewan have not been completely determined.

The Council was advised that a committee, representing the P.F.R.A. and the Provincial Water Rights Branch, agreed on certain measurement stations to determine stream flow. It is believed that this work can best be carried out by staff of the Hydro-metric Surveys Branch of the Department of Mines and Resources, Ottawa. The Council is of the opinion that this programme of water survey studies of Saskatchewan streams should be proceeded with at the earliest possible moment.

Community Pastures

One of the activities under P.F.R.A. is the construction of community pastures. This comprises both abandoned farm lands and Crown Lands, as well as some lands under private ownership.

Community pasture development necessitates co-operation of rural municipalities, the Government of Saskatchewan and the Prairie Farm Rehabilitation Branch of the Dominion Department of Agriculture. When an agreement is reached with the interested parties controlling an area of submarginal land of sufficient size to justify the construction of a community pasture (15,000 to 20,000 acres), officials of the P.F.R.A. move those settlers remaining in the proposed pasture area to irrigated land in Alberta or land selected by the settlers in Saskatchewan. The Land Utilization Board of the Provincial Department of Agriculture assumes the responsibility of obtaining title to the lands in the community pasture. This control is obtained where possible by transfer from individuals, land holding organizations and rural municipalities. The Board also takes assignment of tax proceedings on submarginal land and obtains ten year leases on privately owned lands with the expectation of exchanging Crown Lands of similar value for such leased lands.

When land control in the proposed pasture area is complete, the field staff of the P.F.R.A. proceeds to fence, develop a water supply and regrass those lands which were previously cultivated. On completion of the pasture a local advisory committee is organized to assist in its operation. Purebred bulls are provided and have been instrumental in improving the quality of the cattle in areas served by these community pastures.

Under this programme to March, 1943, 63 community pastures have been constructed, at a cost of approximately \$1,370,000 enclosing 1,182,860 acres of land. Some 216 families

have been relocated who previously were in the pasture area. During 1942 these pastures provided accommodation for 34,025 cattle, 16,455 horses and 3,420 sheep.

At the time the pastures were constructed, the Crown and the municipalities owned 675,000 acres of land, the balance being held by private individuals or land holding organizations. The land previously cultivated in the pastures was approximately 240,000 acres of which 95,000 have been regressed.

The present situation with respect to land control in the community pastures is that the Crown has title to 973,360 acres and holds under lease for a ten year period 141,900 acres and has no permanent control on 67,600 acres.

Land control is one of the greatest obstacles in community pasture development. For efficient operation it would appear necessary to have control of all the land by title. The Land Utilization Board has expressed its opinion by resolution to the effect that, where it is impossible to obtain title by tax proceedings or land exchanges, the P.F.R.A. should purchase the land at a nominal figure. This would appear a logical solution of this vexing problem. If land control is not complete at the time the leases expire then the whole security of this important development may be jeopardized.

An expansion of the development of community pastures should form a part of any well balanced land utilization programme. There are 73 applications from rural municipalities for community pastures, involving a total of 1,573,840 acres. It is estimated by officials of the P.F.R.A. that 75 per cent. of these proposals are feasible and that their construction and development would cost an estimated \$1,358,000. As 50 per cent. of this cost is for labour, it would provide 1,697,500 man hours of work. The R.M. of Kelvington No. 366, and the R.M. of Medstead No. 497, presented briefs to the Council asking for development of community pastures.

In the building of community pastures 500,000 jack-pine green posts have been obtained from North Saskatchewan timber plants. The treatment of a large number of posts at the Prince Albert creosoting plant has aided local industry and provided a use for these natural resources.

There are many areas of submarginal land in Saskatchewan which should be developed as community pastures which are not large enough to meet the requirements of P.F.R.A. Great local benefit would accrue if smaller pasture units could be developed. The Council therefore recommends that an agreement be entered into with the Dominion Department of Agriculture for the continued development of community pastures and that

units of smaller size be established, if sufficient acreage is not available for a large pasture.

Cultural Practices

The cultural division of P.F.R.A. is under the supervision of the Director of the Dominion Experimental Farms Branch. In the main, it embraces farming practices and systems of agriculture best adapted to climatic and soil conditions in particular regions. Soil drifting areas too large to be handled by equipment of local farmers were controlled and regressed. This service should be available to meet any recurring emergency of this nature.

Under this division there has been an active tree planting programme and considerable experimental and research work has been inaugurated with the assistance of the Dominion Forestry Service.

The whole activity of P.F.R.A. is one of benefit to the farmers of Saskatchewan. The Council recommends that every effort be made to have P.F.R.A. provide its services for the farmers of all parts of the Province. This was requested of the Council at many of its public hearings.

Crop Insurance

Nearly every year some portion of Saskatchewan suffers a more or less serious loss due to crop failure, and in addition crop yields are more variable than in any other province. The result is violent fluctuation in farm income. If this condition is to be alleviated, it is desirable to have some form of crop insurance. While crop insurance would not entirely eliminate the need for relief or other assistance to agriculture, the plan could be so designed as to effect considerable reduction in Government relief.

Experience in many wheat producing countries indicates that it is almost impossible to institute a system of crop insurance dependent entirely on payments from the farmer. Certain risks, such as hail, can be covered with reasonable premiums, but losses due to vagaries of the weather, insect pests and diseases, have resulted in abandonment of insurance schemes inaugurated in almost all areas where they have been tried.

In Saskatchewan, a study of production records reveals definite zones where climatic and soil conditions give wide differences in crop yields. In the northern and north-eastern part of the province, crop failures are not so pronounced as in the open prairie section. In this area too, farms are smaller and there is more diversity of production. On the basis of each farm paying enough in premiums over a long period to pay losses,

there would have to be a considerable variation in the levy. In the higher crop yield districts where crop failure is less frequent, a premium of 5 per cent. of wheat actually sold would provide protection, while in other sections of the province, to provide the same protection, would require a premium as high as 20 per cent. of the crop sold.

There is also the problem of poor soil, or submarginal land. In any scheme of crop insurance it would be necessary to eliminate this type of land from grain growing and use it for more suitable production.

Appendix 3 is a study of crop insurance. This establishes the hypothesis that crop insurance is possible but, on a self-sustaining basis, its practicability is much to be doubted. Any plan should be Federal in scope since the three prairie provinces are so closely associated in agricultural production. Administrative costs could not be borne by the premium and it would be impossible for the farmer to pay a sufficiently high premium to cover all the risks.

To give uniform protection, it would be necessary to zone the province according to average yield and soil conditions. It is necessary that all farms participate each year to give reasonable security over a long period. A scheme of crop insurance involving contributions by the Dominion and Provincial Governments, with a limited levy from the farmer, in order to give partial security is worthy of further investigation and the Council recommends that this be explored.

Prairie Farm Assistance Act

Until such time as a satisfactory plan of crop insurance can be developed, the Council strongly recommends the continuance of the Prairie Farm Assistance Act. This provides for a payment to farmers based on cultivated acreage, wheat yield being the yardstick used to determine whether payments are to be made. This Act provides for the Governor-in-Council declaring any year an emergency year and also for the declaration of a crop failure area under certain conditions. No farm can receive both emergency and crop failure payments in any one year. Consensus of opinion seems to be that rather than two provisions there should be only one and it should be elastic enough to meet all conditions that arise.

The Act provides for a levy of 1 per cent. of all grain marketed and benefits are dependent on yield, price and cultivated acreage, with certain maximum payments. A crop failure may be declared if there are a minimum of 171 townships with an average yield of 5 bushels or less per acre, caused by other than hail. Payments vary with the cultivated acreage with a maximum and

minimum award to farms qualifying for assistance. Approximately 38 million dollars have been paid to prairie farmers over the past five years and about 30 per cent. was contributed by the farmers themselves.

Various criticisms have been made of the Act with the idea of improving its application. Problems that have arisen indicate dissatisfaction with the system of including or excluding areas; of using the same category of yields for the entire west; of payments on submarginal land, and that certain areas of high average yield do not benefit sufficiently in low crop years; that hail damage should be included; that payments are too small and more consideration should be given to individual farms.

Presentations to the Council suggest that the Dominion Government give consideration to making the present system of boundaries for payment more flexible, as a farmer who had a crop failure may not be eligible for payment under the Act, due to the high average yield of the township. It is also suggested that, while it is possible to add a rectangular block of 9 sections to an eligible area, it often happens the poor crop block is not rectangular and the regulations of the Act should permit taking in a block where low yields exist, regardless of its shape.

Several groups recommended that the crop failure clause be eliminated and that the Minister be able to declare any year an emergency year and that, in the category of 0 to 5 bushels per acre, the farmer receive payment of \$3.00 per acre with a minimum of \$300.00. There has been considerable discussion as to the definition of a "farmer". Should payments be made to everyone who engages in farming, or only to those who live on the farm and obtain their living wholly from the resources of the farm? Opinion is considerably divided on this question, and it is imperative in dealing with this subject that the main object of the Prairie Farm Assistance Act be borne in mind. Presumably, such object is to protect from extreme need the average farmer who lives on the land and whose chief occupation is agriculture.

The Council believes that a committee representing the Governments of the three prairie provinces, the Rural Municipalities' Associations and the Dominion Government, should discuss the difficulties that exist under the Act and make it more applicable to the different areas of the prairies.

In appendix 3 a detailed study has been made of the operation of the Prairie Farm Assistance Act and problems have been discussed and tentative suggestions made for its improvement. This study emphasizes the need for a complete economic land survey of all farming areas of the three prairie

provinces, to determine the relative potential productive ability of different areas. If this were done, it is believed the benefits of the Prairie Farm Assistance Act could be applied more satisfactorily.

Research

Agricultural research is of primary importance to the Saskatchewan farmer. This province is one of the great food producing areas of the world. The quality of the wheat produced is excellent and while certain industrial products can be obtained from wheat, its primary use should be for food.

The wide and unexpected application that technical research may have would suggest that this work should be national in scope. Research dealing with agriculture might well be undertaken by provincial institutions. The report of the Royal Commission on Dominion-Provincial Relations stated that "The benefits of agricultural research in Canada have been so vast in relation to the sums spent upon this activity that we hesitate to urge parsimony in this field".

An expenditure of a million dollars on research may appear extravagant but damage greatly in excess of this amount has frequently been sustained in the course of a few hours as a result of the depredations of grasshoppers. Rust research alone has saved many millions for western farmers.

There has been widespread interest in the possibilities of industrial utilization of farm products. This is of such great importance to the farmers of the prairies that there should be an institution staffed with qualified personnel to deal entirely and completely with this phase of agricultural research. The Council recommends that there be established in Saskatchewan a Prairie Branch of the National Research Council to conduct research on the industrial utilization of farm products.

In any programme of research, all phases of prairie agriculture must be studied. There are many problems of soils and production requiring investigation. Such topics as irrigation, soils, farm machinery and tillage methods, improved varieties of cereals, forage, vegetables and fruit crops, animal nutrition and disease, insects and plant diseases, livestock, poultry and dairy products, and economics, should be investigated and studied.

As research is basic to the success of agriculture, and, as Saskatchewan economy is dependent on the success of the farmer, the Council recommends a Provincial Agricultural Research Council to keep the Provincial Government advised as to what is being done; to use its influence to bring about the greatest possible measure of co-ordination and co-operation among existing agencies

and to suggest possible research activities. The membership on such a Council should include the University of Saskatchewan, the Provincial Department of Agriculture, the Director of the Prairie Branch of the National Research Council, a Provincial member of the Dominion Experimental Farms System, a representative of the Provincial Branch of the Federation of Agriculture, a farmer and representatives from other organizations as deemed necessary.

If the University of Saskatchewan is to play its full part in the development of agriculture and in helping to solve the problems of the farmer, the Council believes there should be a substantial sum allocated each year for research work in agriculture. From the best evidence at hand at least \$50,000.00 a year would be required for this project. Depression years of the past have necessitated reduction in governmental votes for various activities, but any allocations made for research work should not be interfered with if there is to be continuity to the programme. The fund should be earmarked for Agricultural Research and administered by a small committee of the University staff appointed by the Board of Governors.

The importance of undertaking this activity at once is expressed in the words of the Administrator of Agricultural Research of the United States Department of Agriculture. "It is well recognized today that research of all kinds will have to be enlarged and accelerated in every nation that hopes either to retain or to advance its present standard of living".

Work of this nature was endorsed in presentations to the Council by the Canadian Seed Growers Association, the Co-operative Wheat Producers Limited, The Saskatchewan Association of Rural Municipalities, the Canadian Society of Technical Agriculturists of Saskatoon and many other personal and organization briefs.

Land Utilization

Land Utilization was discussed quite fully under the section dealing with P.F.R.A. activities. A programme should be developed that is adapted to the farming conditions of each section of Saskatchewan. This will ultimately be the responsibility of the extension services of the Department of Agriculture. Officials of the Melfort Experimental Station suggested an experimental unit in group farming. The advantages of such a project would be increased community life and an opportunity to develop the amenities of life. Farm electrification would be more easily installed under such a plan. The Council believes this is a programme that should be explored by the Co-operative Union with assistance from the Co-operation

and Markets Branch. It might be advisable to obtain the active support of P.F.R.A. in an experimental undertaking. The Council therefore recommends that the Co-operation and Markets Branch explore this undertaking.

In a programme of Land Utilization special consideration should be given to the method of handling submarginal land. It seems rather inconsistent that land of this classification should be used for settlement and cultivation purposes in units which experience has shown are too small to provide a reasonable standard of living. This type of land should be seeded to grass and used for grazing. Community pasture construction has been based on the principle that by properly developing areas of this land for grazing and by sound management, the whole community can be benefited. There are still some individuals and landholding organizations disposing of small parcels of this land for settlement. In years of unusually good crop conditions fair returns are obtained but in light production periods the settler becomes a burden on the community. It is the belief of the Council that the provisions of The Land Utilization Act should be enforced in a firm manner to obtain title to submarginal land.

There is a necessity for developing large scale plans of proper land utilization. It might be advisable to make a complete survey of a compact unit, with the object of outlining a land use programme. The Council therefore recommends that an experimental unit be surveyed by a committee composed of an agricultural engineer, a grazing specialist, an agriculturist, an economist, under the chairmanship of the Deputy Minister of Agriculture with the idea of co-ordinating all present information and developing a plan for permanent agriculture. The area suggested should include all the municipalities served by the proposed Swift Current Irrigation District.

Experimental Farms

The primary function of the Dominion Experimental Farms is experimental and research. The information obtained from their investigations is available for extension workers. It has been the practice to establish illustration stations in various soil zones to demonstrate the best practices of farming, determined by the experimental research. Many requests were made to the Council asking for an extension of this experimental and demonstration service. While it would be impossible to locate farms in every area, we believe consideration should be given to increasing the number of illustration stations with particular attention to those dealing with horticulture.

At Moose Jaw several briefs were presented asking that a horticultural station be

established in that district. The Rural Municipality of Lac Pelletier asked for an expansion of experimental activity in the rural areas. The Melfort Reconstruction Committee believed that the Shellbrook and Nipawin areas were particularly suited for vegetables and fruit production and this might be determined by the operation of an experimental sub-station. Various organizations from Eston pointed out the need for further experimental work in that area.

Agricultural Education

Agricultural education and advice on cropping practices is made available through three main agencies in Saskatchewan: The College of Agriculture; Dominion Experimental Farms and the Provincial Department of Agriculture.

The College of Agriculture, staffed with a corps of highly trained specialists, has the function of graduating degree students and training research and investigation specialists. Associated with the College of Agriculture is the School of Agriculture. At this institution farm boys take a course in practical and theoretical agriculture to fit them to become leaders in their communities and the course is shorter than the regular University term. Experience of the past has shown that a large percentage of the students taking this course return to their farms.

In order that this phase of agricultural education may be established and developed to the fullest possible extent, it is essential that dormitory facilities be provided. The course for these students is for a shorter period than the University course, so as not to interfere with farm work. Therefore they arrive at the campus after the regular University term has opened and dormitory space is filled. This group should have the benefit of association in dormitory which is a valuable aid in developing citizenship. In addition it is anticipated there will be a large number of returned army personnel who will wish to farm and will require instruction in agriculture. This work could be provided by the School of Agriculture at the University. Therefore the erection of a dormitory for the School of Agriculture on the University campus is an immediate necessity.

Agricultural Schools

It was suggested at a number of the public hearings, more especially Saskatoon, Estevan, Melfort, Yorkton, Weyburn and Swift Current, and in private briefs that agricultural education should be extended into rural areas. Professor Gordon outlined a proposal for the ultimate establishment of twenty agricultural schools, operated with a

small but efficient staff, and housed in low cost buildings, and so located throughout the Province to provide service to the greatest number. Other suggestions indicate that at least four agricultural schools, equipped with dormitories are required and should be located to serve different zones of Saskatchewan. It is the belief of the Council that at least two or three of these schools should be established in the immediate post-war period. These institutions should provide instruction for both boys and girls. In order to provide full opportunity for farm boys and girls to obtain an agricultural education, provision should be made for free tuition and low subsistence costs at these schools.

The location of the institutions should be given careful consideration. Transportation facilities, rural population, types of farming and many other factors have to be carefully weighed before they are definitely located. The Council recommends that a committee representing the Department of Agriculture, the College of Agriculture, the Department of Education, the Association of Rural Municipalities and the town planning commission make a complete survey to determine the best place for these schools and to make recommendations as to their supervision.

The boys and girls attending these institutions would be given the latest scientific data relating to agricultural practice. However, if agricultural information is to be as widely distributed as possible, it would appear necessary to take agricultural education to more remote areas. The Council therefore is of the opinion that short courses of three weeks' or a month's duration should be held at as many small centres as convenient. This system would give the farming population an opportunity of learning the most recent developments in agriculture, thereby raising its whole economic status.

Agricultural Representatives

It has been previously pointed out in this Report that agriculture is the principal industry in Saskatchewan. If the farmers are to compete successfully under Dominion and world conditions, it becomes axiomatic that they should have all the latest information of agricultural research in the fields of crop production and soil conservation. The fact that so many farmers have in the past been in the position of having their land in arrears for taxes, indicates that we have a very important problem to solve in crop production, conservation and farm management.

The problem of better cropping practices, soil conservation and home building can best be solved by direct contact with the farmers

on the land. This entails a long-time agricultural programme, with the ultimate goal of raising the standard of living of the rural population.

This activity is primarily a function of the Provincial Department of Agriculture and can best be accomplished through a complete coverage of the farming areas by a capable agricultural staff. Many briefs were presented to the Council, indicating the value of the work at present being accomplished by the Agricultural Representative Service, but nearly all state that the large territory covered by the present staff and the multiplicity of the activities they are called upon to perform, makes it impossible for them to do a satisfactory job in providing the necessary leadership in developing a sound and permanent programme. The consensus of opinion is that the districts served by the present agricultural representatives are too large. The Council therefore recommends that the ultimate goal should be a total of fifty well-qualified agricultural representatives to serve the present farming population.

Very detailed briefs were presented by the Extension Department of the College of Agriculture, Saskatoon; the Provincial Department of Agriculture and the Saskatoon Branch of the Canadian Society of Technical Agriculturists, dealing with agricultural extension services. They were all in agreement that the agricultural representatives were an indispensable group for improving farming conditions and taking the latest information to the farmers. They were also agreed on the necessity of employing a group of men with practical knowledge of agriculture and using men with pleasing personalities, co-operative attitude, tact, resourcefulness, enthusiasm and the ability to express themselves effectively in public; in short, men who could provide leadership in developing an agricultural programme. It should be the objective to select a personnel with agricultural training, more especially college graduates. It was the belief expressed in the briefs presented by the Extension Department and Canadian Society of Technical Agriculturists that only agricultural graduates should be engaged and this should certainly be an important consideration in the choice of agricultural representatives.

It is further generally agreed that the principal function of this service is educational. The close relationship between the Provincial Department of Agriculture and the farming population is such that it may be difficult at times to distinguish between an educational programme and the administration of certain activities of the Department. However, administration problems should not be such a burden as to divert the agricultural representatives from their main activity, that of developing a sound agricultural programme and educating the farmers

in its adoption. While in the past, drought and depression made it necessary for this staff to take an active part in administration problems, such as relief, every effort should be made to eliminate this type of activity as part of their duty. The additional responsibility of this work in the post-war period is very apparent when we consider the large number of returned men who are planning to make agriculture their vocation. In view of this it would be well to consider the possibility of adding qualified returned men to such a staff.

The remuneration should be sufficiently large to attract and retain men with the desired qualifications.

If the programme is to be successful, it is necessary that the Agricultural Representative Service be given recognition by having a supervisor in charge of the work who would be responsible to the Deputy Minister of Agriculture.

In order that this branch may function efficiently, it is necessary to have an advisory board which would include all those interested in land use and agricultural education. It is therefore recommended that the Land Utilization Board with representation from the College of Agriculture be charged with the responsibility of supervising the activities of the Agricultural Representative Service.

When considering the problem of agricultural education through extension services, it would appear self-evident that an agricultural representative should be stationed as near as convenient to the centre of his district. The agricultural representative should have a properly equipped office, suitably staffed. This office could also be used as headquarters for other extension services.

There should be the closest co-operation between the Agricultural Representative Service, the College of Agriculture and the Dominion Experimental Farms. It is therefore suggested that at least once a year, and more often if possible, there be a meeting of these groups so that the latest information and advice could be discussed and methods of improving the extension services planned. In addition, agricultural representatives in the areas served by the Experimental Farms should meet at least twice a year with the staff of these institutions to gain familiarity with the research work being conducted. It was also suggested by the Canadian Society of Technical Agriculturists at Saskatoon that Agricultural Representatives be given the opportunity of taking Refresher Courses every few years and that this desire might be recognized by leave with pay. The Council believes this plan might be advisable and that, when, in the opinion of the Department, the service could be improved, selections for these courses

could be on the recommendation and approval of the supervisor and the advisory board. This would provide the opportunity for taking special work which would qualify the men to assist farmers to meet the hazardous conditions of farming.

In any set-up dealing with agricultural services, it would appear imperative to have the full co-operation of the municipalities. The municipal council should assume some responsibility in helping to outline the overall picture of the best agricultural programme for their municipality. It is therefore suggested that a committee, which may or may not be the council, should hold regular meetings with the agricultural representatives to discuss the problems which specifically affect the farmers in their municipality. This committee might receive the usual remuneration at present provided for meetings of municipal councils.

At the present time the gross annual expenditure of all branches of the Department of Agriculture is less than \$500,000.00 and if we deduct the revenue received there is a net of about \$300,000.00. This does not appear to be sufficient to conduct a complete agricultural programme. There will be greatly increased demands in the post-war period which will require more expenditures than are presently available from Provincial sources. It is suggested there should be some financial assistance from Dominion sources for increased agricultural services.

There are many departments of the Provincial Government dealing with land, such as Natural Resources and Municipal Affairs. These have separate field staffs and there is almost certain to be some duplication. While it may not be necessary that these government departments consolidate their land administration in one department, it would appear necessary that a policy of land use be agreed upon by their administrative heads. The Department of Agriculture brief recommends that the field staffs of the departments concerned with land use, be merged and placed under appropriate direction, which would appear to be the Land Utilization Board. This consolidation appears to be a minimum requirement in the development of a sound land use programme. The Council therefore believes that a committee should be set up to enquire into the feasibility of developing some plan to eliminate any duplication of effort that may exist.

At many of the public hearings it was suggested that there should be an extension of services to homemakers. The Extension Department and the Saskatchewan Homemakers' Clubs suggested that homemakers' courses and extension work in all fields of women's interests should be greatly extended, that programmes of nutritional food preservation, handicrafts, home planning and recreational work be undertaken and that staff be made available for this pur-

pose. There should be several home demonstration agents appointed immediately. This might properly be carried on through the Extension Branch of the College of Agriculture and would entail some increased financial assistance. In addition, if the Extension Department is to enlarge its educational programme, it would be necessary to increase the present staff. This group would then be available to carry on special activities with the Agricultural Representative Service, and there should be the greatest possible co-operation between these two organizations.

If we are to develop agriculture to the high plane it should occupy in Saskatchewan, very complete consideration should be given to the various forms of extension service. It may be necessary to provide community centres in some of the towns in Saskatchewan for agricultural activities which could be used as a meeting place for the rural and urban population. The Prince Albert Agricultural Society suggested an agricultural hall, administrative centres for boys' and girls' Clubs, with camp accommodation, and the Rural Municipality of Meeting Lake, No. 466, suggested that agricultural representatives could, as one of their activities, develop courses in citizenship.

Vocational Education in Agriculture

This subject will be discussed further under the section on Education, but reference is made to it here because of its close relationship to the whole problem of agricultural education.

Farm boys should have all the advantages of high school education. There may be those who would prefer not to complete their high school education but would rather take agriculture as an option in the regular course. These would probably be limited in number. Others would not be in a position to decide on their vocation until they finished their high school education. These students would be more likely to attend a good agricultural school than continue at a vocational high school.

With agriculture as an adjunct to a high school course there would be the problem of residence to accommodate the country students who would attend. It would seem

therefore that construction of agricultural schools, as previously proposed, would provide the most satisfactory solution.

It is still a debatable question whether vocational agriculture should be taught or could be taught successfully in high schools. The problem of providing the necessary qualified teaching staff would be enormous. Then too, the boys beyond school age might be hesitant in attending such institutions. However, it is important that every avenue be explored in training those who choose agriculture for their vocation. It is suggested that fully qualified teachers of agriculture and home economics be engaged to teach in one or more high schools serving rural communities. These would serve as experimental units to determine the practicability of this type of agricultural education.

Livestock

The livestock industry has assumed greater importance in Saskatchewan during the war years due to the requirements of Britain and the objectives set by the Dominion Department of Agriculture for increased production. The position of the livestock producer in the post-war period will depend to a large extent on market conditions and feed supplies. The farmer is still dependent on national marketing policies to create the demand for his product at prices which will make it possible for him to remain in the business. With more improvement in livestock and greater attention to grading, a better quality product can be produced.

Many areas are producing livestock as a war effort where this type of production will be discontinued, or at least reduced, when there is an effective demand for wheat. In other areas of Saskatchewan livestock production is of more permanent importance. In the black soil zone livestock has generally been considered essential to successful farming. In the ranching areas of Southwest Saskatchewan, cattle and sheep production can be increased, if adequate reserves of grain and fodder are provided by ranchers as insurance against periods of drought.

The following table summarizes the livestock population of Saskatchewan:

TABLE VI.

Type of Stock	1921	1931	1936	1941	1943
Horses	1,077,882	997,426	898,323	803,893	824,400
Cattle	1,295,910	1,188,884	1,534,951	1,245,537	1,602,000
Sheep	194,660	281,013	342,271	330,110	463,000
Swine	419,709	949,055	666,826	949,357	1,754,600
Poultry	7,622,380	10,894,116	9,050,004	9,815,155	15,031,210
Turkeys	235,448	624,591	587,391	990,650	889,000

Horses: At present there is an apparent horse surplus of 200,000 head. Many of these are classed as nondescript and they are consuming grass that could be much more profitably used by cattle and sheep. It is believed that this surplus horse population should be disposed of. An organization is being set up on a co-operative basis to market the horses by processing them. It is the belief of the Provincial Livestock Commissioner that returns from the sale of the by-products would pay for the processing of the horses and that the meat could go into some other channel, thus bringing returns sufficient to warrant the erection of an abattoir. The sale of horse meat for export can only be arranged through the Dominion Government. Every effort should be made to dispose of these animals at a price to give a reasonable return to the farmer.

There is a place for a number of draft horses in Saskatchewan agriculture, but it is suggested that farmers should raise only sufficient horses to supply their own needs and select superior breeding stock to maintain quality.

Professor J. W. G. MacEwan, President of the Saskatchewan Hunter, Saddle and Light Horse Society, urges that the Department of Agriculture provide Thoroughbred stallions to sire general purpose horses for farm use, for army remounts, if such a need should arise, and for the production of saddle horses for pleasure and utility purposes.

Cattle: Of the total cattle population of 1,602,000 in Saskatchewan, it is estimated by the Provincial Livestock Branch that 20 per cent. are on the range and 80 per cent. are on the farms. While it has been possible to find a market for the present cattle production, there is some uncertainty as to the future. One essential of marketing is good quality. The use of better sires will give us better cattle. Better feeding is of equal importance. The Canadian Society of Animal Production (Western Section) suggests that encouragement be given to breeders of pure bred animals and that sires be made available to the farmer.

Considerable experimental work has been done in artificial insemination of cattle in the Regina district. Officials of the Dominion Experimental Station at Scott urge that this work be extended as it is a method by which producers can utilize the best sires more fully.

The livestock grower can increase production by better management of his pasture, and improve the quality of his product by using high quality pure bred sires, but unless there is some assurance of a reasonably stable price at a level sufficiently high to give a profit, producers cannot stay in the business. It will be necessary for Dominion export agencies to explore every possible avenue for world markets.

Sheep: Most of the sheep are on the ranches of Southwestern Saskatchewan. There is an opportunity to increase their numbers substantially both on the ranch and on the individual farm. These animals make very effective use of pasture and can graze profitably where cattle would not thrive.

In order to meet the request of the Dominion Government for increased production of wool in the winter of 1941-42, the staff of the Experimental Station at Swift Current met groups of farmers and sheep ranchers. Co-operative sheep producers' associations were organized at Val Marie, Eastend and Maple Creek. The success of these depends on proper care and selection of foundation stock, careful breeding policy and good management of flocks and pastures. These groups have been very successful and this form of organization would appear to be one means of increasing sheep production in Saskatchewan.

Individual farmers in various parts of the province have from time to time raised small flocks of sheep. The most common sources of loss have been dogs and predatory animals. The Sheep Protection and Dog Licensing Act provides a corrective, but the dog licensing provision of the Act has not been utilized by the rural municipalities.

While wide publicity has been given to Canada's dependence on the importation of wool, not enough emphasis has been placed in Western Canada on improving the breed of sheep for both wool and meat production. The breeding policies undertaken at a number of centres to develop a type of sheep suitable for prairie conditions should be continued and the fullest use made of the improved breeding stock already produced.

Swine: Swine production has expanded at a very rapid rate in Saskatchewan in recent years, following an urgent appeal for "Bacon for Britain". This expansion was assisted by a price relationship attractive to the producer. Hog production will undoubtedly drop when export markets are available for wheat at attractive prices.

In certain areas of Saskatchewan, particularly the black soil zone, hog raising is most profitable because of the abundance of coarse grains. If there is to be a continued demand for bacon and hog products after the war, it is essential that we not only maintain but still further improve the quality of hogs raised and finish them for market at approved weights.

The expansion of hog production has been accompanied by unnecessarily large losses from disease and malnutrition. It would appear therefore that increased extension services are desirable for more efficient pro-

duction. Veterinary and laboratory services for swine diseases are entirely inadequate and this subject will be dealt with in a later section of this Report.

Poultry and Turkeys: There has been phenomenal growth in poultry and turkey production in Saskatchewan. The increase in the hatchery industry reflects the increased interest and demand for young chicks. New methods of handling eggs and poultry meats have made it possible for the Saskatchewan producer to enter world markets on a more competitive basis than previously. The needs of Britain have of course been instrumental in maintaining the demand for these products. After the war, if Canada maintains a high nutritional standard, there will be continued demand for this product and production can be further expanded if profitable world markets are secured and retained.

The present programme of flock improvement should be continued and expanded by educational activities of the agricultural representative staff of the Department of Agriculture. As these men cannot be specialists in all lines there should be enough poultry experts in the Poultry Branch and the University of Saskatchewan to assist the agricultural representative.

Suitable laboratory facilities and a government veterinarian specially qualified to diagnose poultry diseases are a necessity and provision should be made for additional research in poultry diseases and for the biological assay of poultry feed.

Several recommendations have been made that government grading and marking of meat is desirable to insure fair returns to the producer and fair value to the consumer. The Council recommends that a committee representing producers, wholesalers, packers and government officials be set up immediately to investigate and report to the Government on the desirability and feasibility of a policy of grading and marking all meat.

Dairy: The record of dairy production is one of steady and continuous growth indicating careful supervision and excellent leadership by officials of the Provincial Dairy Branch. Feed supply and economic conditions have caused fluctuations in production. War conditions with increased prices and subsidized butterfat raised creamery butter production in 1943 to an all time high of 47,721,000 pounds, or 15 per cent. of the Dominion total, placing Saskatchewan third province in Canada. The emphasis in the dairy industry has been on quality, with the result that Saskatchewan butter is in demand in the most discriminating markets.

Improvement of dairy herds has been accomplished through record of performance tests for pure bred herds, and cow testing

service for grade herds. Herd Improvement Associations, careful inspection service, and financial assistance enabling farmers to secure high class stock, have all been instrumental in improving the industry and should be increased.

Cream grading is carried on by the Provincial Dairy Branch and butter grading by the Dominion Department. As a result of careful grading for the last 15-year period, first grade butter has increased from 60 to 90 per cent. A large proportion of the butter goes into inter-provincial trade and Saskatchewan producers and manufacturers are handicapped by high freight charges to consuming centres.

Control of milk prices and trading practices is under the authority of the Milk Control Board. If present production is to be maintained after the war, then prices to the producer must not be allowed to fluctuate but should be stabilized at a level to assure a reasonable return.

The further expansion of dairying will depend on manufacturing a variety of concentrated products.

It is the opinion of the Council that experimental and research work should be carried on in cattle nutrition and the development of new forage crops suitable to Saskatchewan conditions. The Council also believes that there should be an immediate increase in the personnel carrying on cow testing services so this may be available to a larger proportion of dairy herd owners; also that improved facilities be provided for the training of dairy plant personnel.

There will be many problems facing the dairy industry at the end of the war and it would appear necessary that a committee be set up now to inquire into the marketing of dairy products, freight rate adjustments, and cost of dairy equipment, and that it make a study of the price structure necessary to maintain production should present producer and consumer subsidies be discontinued.

Veterinary Services: Increased mechanization of farms and the secondary position of livestock production in relation to grain has decreased the interest of Saskatchewan young men in veterinary science as a profession. Under present conditions many veterinarians are approaching retirement age and graduating classes are inadequate to replace them. Insecurity of income has resulted in a lack of trained personnel to serve adequately the rural districts. In order to meet this situation it would appear imperative to stabilize the income of veterinarians through municipal subsidies and by employing them as enforcement officers in pure bred sire areas and as sanitary inspectors in urban and rural municipalities.

It may ultimately be found necessary to institute a system of veterinary state medicine.

Animal diseases among all types of livestock demand increased veterinary services. In order that this requirement may be met, the Council recommends that the Department of Agriculture institute immediately a survey of existing veterinary educational facilities and if these are found insufficient that a Veterinary College be erected at the University of Saskatchewan, or at some point agreed upon by the three prairie provinces.

The serious situation confronting livestock producers in the matter of losses from disease requires the immediate enlargement of veterinary laboratory facilities.

Feed Lots: The future success and stability of livestock production will depend on sound market conditions and reasonable prices to the producer. As war and immediate post-war requirements decrease, profitable marketing of livestock will depend on a sound and aggressive national policy in both domestic and world markets.

With the increase in irrigation development the utilization of the products of irrigated land will lead to an increase in dairying and livestock. It will undoubtedly be necessary under these conditions to educate the farmer in efficient feeding of livestock as a means of using some of his crops to the best advantage. This is an activity that should be initiated by the agricultural representatives.

It may become necessary to organize livestock feeding associations as a means of providing the credit necessary to enable the farmer to take advantage of the production of irrigated land. The Council believes that such organizations can be set up under the present legislation of the Co-operation and Markets Branch of the Department of Agriculture. If present banking facilities do not permit of financing these groups or if individual livestock feeders have insufficient credit facilities, then consideration should be given to setting up feeder associations under legislation similar to that in operation in Alberta.

Under the Feeder Associations Guarantee Act in Alberta, the Provincial Department of Agriculture, through the Livestock Commissioner, supervises such associations. The banks are guaranteed up to 25 per cent. of any losses incurred by lending money to these associations, while a limit is set to the loan that may be made to any individual member.

This development should have careful study by officials of the Department of Agriculture in view of the possible extension of irrigation construction in a post-war period and the necessity of assuring a profitable market for the products of the irrigated farm.

Bees: The Bee Division of the Provincial Department of Agriculture provides supervisory and inspection service for beekeepers. There are two co-operative organizations; one dealing in supplies and the other in the marketing of the honey crop. In 1929 Saskatchewan had 1,239 beekeepers who owned 6,434 colonies with a production of 404,902 pounds of honey. In 1943 there were 7,253 beekeepers owning 54,263 colonies and the production reached 5,364,563 pounds.

There is a considerable variety of native and cultivated plants in Saskatchewan which produce nectar. The long hours of daylight and the variety of producing plants make Saskatchewan a particularly favourable area for honey production. There is every expectation that this industry will continue to expand.

Suggestions have been made to the Council that there should be demonstration apiaries at various places in the Province and an experimental apiary at one of the Dominion Experimental farms. The Council believes that the Provincial Department of Agriculture should make the necessary approach to the Dominion Department of Agriculture for this service.

Apiary inspection must be carried on at an efficient level to prevent the increase and spread of bee diseases. Educational work should be expanded if there is to be the increase in apiculture that this industry deserves.

The Council is of the opinion that in view of the value of this production and the possibilities of increase, there should be an immediate survey of the honey flora of the province for the assistance of beekeepers and as an indicator of the most suitable districts for extension of the industry. Extension services of this branch should be staffed with sufficient well qualified persons to continue all necessary services and inspection.

Farm Machinery

A comprehensive brief was presented to the Council by the Western Agricultural Engineering Committee, Saskatchewan Section, covering the whole field of farm machinery. There has been very considerable increase in the use of tractor power due to the shortage of farm labour. Unusually large crops have tended to wear out machinery and under present conditions it has been impossible to obtain the necessary repairs or replacements.

The introduction of new crops, new production and tillage methods will alter the types of machinery needed. The construc-

tion of large scale irrigation projects will require additional machinery. It is the contention of several groups and individuals that machinery should be tested and proved for Saskatchewan conditions before it is put on the market. The Council believes this contention is sound and recommends that a Farm Machinery Testing Station be established in Western Canada to test and approve machinery used in production. It recommends that the Government take immediate steps to implement this recommendation by co-operation with the other prairie provinces and the Dominion.

It has been estimated that, because of the need of replacement for worn-out machinery, there will be an annual expenditure of \$25,000,000 in Saskatchewan. The Bienfait Committee made a survey of the district and the returns indicated that 44 per cent. of those replying planned to purchase new machinery to the value of \$1,785 per family. The Rural Municipality of Meeting Lake, No. 466, reported a lack of suitable machinery to take advantage of the P.F.R.A. programme of water conservation.

There appears to be a lack of properly equipped machine shops in Saskatchewan to give proper service to farmers. If shops were established at strategic centres the farmers could completely overhaul their farm machinery each year, thereby reducing the amount of new machinery required. In addition, such a set-up would provide employment for trained mechanics returning from the armed services. It has been estimated that 20 such shops would provide permanent employment for 200 workmen, and temporary employment during winter months for an additional 400. The Council believes that this avenue should be further explored through co-operative organizations and existing farm machinery companies.

There has been considerable discussion regarding the co-operative use of farm machinery and one unit known as the Round Hill Agricultural Production Co-operative Association Limited has been organized. All necessary assistance and study should be given to this undertaking by the Co-operation and Markets Branch of the Department of Agriculture in order to determine the suitability of this practice to Saskatchewan conditions.

In those areas where land is covered with brush it has been suggested that large scale equipment be made available for clearing the land for settlement. The Canadian Legion at Saskatoon suggested that certain types of machinery now used by the armed services, if suitable, be made available for clearing land. The Council recommends that the Western Agricultural Engineering Committee or the machinery co-operative explore this situation.

Tree Planting

The Dominion Forestry Station at Indian Head suggested woodlot planting on light textured soils and expressed the hope that certain experimental areas would be started this year. The Council wishes to endorse this activity, believing that tree planting to beautify and protect home surroundings is a project that should be promoted by the agricultural representatives.

The Rural Municipality of Lac Pelletier, No. 107, and Coulee, No. 136, urge afforestation projects in their areas. The Rural Municipality of Moose Creek, No. 33, urged tree planting on submarginal land. The Council suggests that these proposals be presented to the P.F.R.A. by the proper provincial representative.

Horticulture

Horticultural experimental work is carried out at the Dominion Experimental Stations and the University of Saskatchewan. Tree nursery work is centred at the Dominion Forestry Station at Indian Head and at Sutherland.

The Horticultural Department at the University believes that there should be a trained horticulturist as an extension fieldman available to give advice and guidance on gardening, growing fruits and ornamentals, and to promote junior club work. If farm homes are to be made more attractive and inviting, assistance should be given to farmers in establishing and maintaining farm shelter belts. These are required not only as protection for the home but for certain plants which must be sheltered from the wind.

An important part of farm economy is having a good garden, large enough to include half an acre of fruit. This would greatly improve farm diet. In sound farm economy the home fruit plantation should occupy a place almost as important as the vegetable garden.

Fruit occupies an important place in a nutritious diet and varieties suitable to Saskatchewan should be developed. To do this, greater financial assistance should be given fruit improvement projects of the University of Saskatchewan.

Potatoes are a valuable farm crop in Saskatchewan and yet very little has been done toward improvement. New varieties suitable to Saskatchewan conditions are urgently needed. Varieties resistant to disease that develop with moderate moisture and mature before frost are required. A large potato of good quality with shallow eyes is desirable. Experimental work has been limited by inadequate funds.

In view of the important place fruits and vegetables occupy in farm homes, the Council recommends that a portion of the suggested University grant for research work be used for horticultural experiments. The Council also believes that the services of a qualified horticulturist should be available to assist agricultural representatives in extension work.

It was suggested by the Dominion Experimental Station at Scott that there should be legislation to control the production, distribution and sale of nursery stock to ensure material suitable for Saskatchewan conditions. The Western Canadian Nurserymen's Association asserts that agencies originally established to carry on horticultural experiments have invaded the commercial nursery field. This has weakened the nurseries and resulted in less planting.

Rural Housing

The problem of rural housing is being considered by a committee whose findings will appear in a special report. Suffice it to say that on many Saskatchewan farms there are fine homes, but unfortunately many others are weather-worn, drafty and uncomfortable. It is also apparent that existing farm housing is inadequate. It would appear necessary that plans for suitable farm homes should be prepared and financial arrangements under Dominion auspices made for building and renovation.

Co-operation

Co-operative enterprises in Saskatchewan are active in the fields of production, marketing, purchasing, distributing, manufacturing and credit for both producers and consumers. They operate on the basis of open membership, democratic control and the distribution of surpluses on the basis of volume of business done by the member with the association.

The extent of co-operative activity in Saskatchewan is listed in the report of the Co-operation and Markets Branch of the Department of Agriculture as follows:

Stores	112
Bulk Trading Assn's. operating store depts.	17
Bulk Trading Associations.....	401
Live Stock Associations.....	39
Community Hall Associations.....	168
Grazing Associations	15
Miscellaneous (including Implement Associations)	39
Credit Unions	137
Registered (Credit Union Assn's.).....	1
Grain and Seed Marketing.....	20
Livestock Marketing	3

Dairy Marketing	3
Poultry Marketing	1
Honey Marketing	1
Special Marketing Legislation—	
Grain	2
Livestock	3
Dairy	1
Poultry	1
Refining	1
Wholesaling	1
Milling	1
Hail Insurance	1
Mutual Benefit	1
Credit Society	1
Superannuation Society	1
Fidelity and Guarantee.....	1
Joint Stock Companies' Act—	
Dairy Marketing	1
Trading	1
Joint Stock Companies' Act, Dominion—	
Wool Marketing	1
Co-op. Implements	1
Inter-provincial Co-operatives.....	1
Total	977

As defined by the Co-operative Union of Canada, Saskatchewan Section, "a co-operative enterprise is one which belongs to the people who use its services, the control of which rests equally with all its members, and the gains of which are distributed to the members in proportion to the use they make of its services."

In this Province these fall broadly into the classes of consumer and producer co-operatives.

The co-operative principle may be extended to the joint use of farm machinery. (This proposal is concurred in by a brief from the Dominion Experimental Station at Scott). It is also possible to extend this principle to promote better living conditions, as groups of farmers could, conceivably "operate their farms from a hamlet or village and establish facilities to make everyday life more attractive." Elsewhere in this Report specific recommendations are made developing this idea. The Canadian Daughters League, Regina Assembly, and the Dominion Experimental Station at Melfort endorsed this principle. In certain areas in the United States the co-operative operation of rural electrification lines has made some of the amenities of life possible for farmers at reasonable cost. There is a field also for the development of co-operative cold storage lockers.

The co-operative movement is a motivating force in lowering the cost of living and the Union submits that "consumers' co-operatives are not in the business of selling but of buying for their members. This approach involves quality, fair prices and orderly distribution and, if operated efficiently, lower costs."

Representation was made to the Council by groups and individuals that many of the industrial plants needed to process products of prairie farms should be owned and operated on a co-operative basis.

The value of the co-operative movement was recognized by the United Nations Conference on Food and Agriculture, last year at Hot Springs, Virginia, by the resolution quoted below:

"That in order to make it possible for people to help themselves in lowering costs of production and costs of distribution and marketing:

- (a) All countries study the possibility of the further establishment of producer and consumer co-operative societies in order to render necessary production, marketing, purchasing, finance and other services;
- (b) Each nation examine its laws, regulations and institutions to determine if legal or institutional obstacles to co-operative development exist, in order to make desirable adjustments;
- (c) Full information as to the present development of co-operatives in different countries be made available through the permanent organization."

Recognizing the two basic principles of co-operation, (1) one member one vote; and (2) that savings made belong to the individual member based on his volume of business; and being cognizant of the present uncertainty as to income tax liability of co-operative organizations, the Council recommends that the Income War Tax Act be amended to clarify the position of co-operatives, credit unions, and federations of credit unions with respect to income tax liability. The Council further recommends that the Dominion Government be asked to procure the enactment of a Dominion Co-operative Act providing for the incorporation of inter-provincial co-operatives as Dominion companies.

Because of the closing of many branch banks in the small towns, farmers are no longer able to get seasonal accommodation for their operations.

Credit unions in the rural areas of Saskatchewan can be used to furnish short-term and intermediate credit to farmer members. The need for this form of service indicates room for further expansion of credit unions having as members both rural and urban dwellers. These organizations provide the opportunity for systematic sav-

ing, bring about better understanding of mutual problems and aid in the mobilization of funds to meet future needs.

The co-operative movement has completely permeated the economy of Saskatchewan, and as there appears to be a considerable demand for increased education respecting it, the Council recommends that the curricula of secondary schools provide for instruction in the history and principles of co-operatives.

There is provincial legislation to aid in the formation of various types of co-operatives. The Co-operation and Markets Branch of the Department of Agriculture is the administrative body providing an informative service regarding co-operative principles and practice. Assistance is given to groups wishing to organize under co-operative legislation. It inspects and advises established organizations and maintains a research and educational department.

In view of the importance of reliable information concerning co-operative development, the Council recommends that personnel be provided as required to expand present inspection, advisory and research services.

Land Settlement

The possibility of increased land settlement in Saskatchewan is definitely limited. Dr. J. H. Mitchell, of the Soils Department of the University of Saskatchewan, estimated that there may be three million acres of land in the grey soil zone suitable for settlement. Certainly land that might be cleared and used for farm settlement in this zone would not exceed five or six million acres.

The tendency has been to increase the size of farms in the present settled areas, and the farmer's ability to farm large areas has been demonstrated during war years. There is not a great deal of land suitable for settlement unless there should be a breaking down of large farm units, but no settler should be placed on less than an economic unit. Therefore any land settlement programme must be given careful study. The Council maintains that members of the armed forces be given first consideration in settlement of available land. Farmers' sons desiring to have farms of their own are entitled to preference after a soldier settlement programme has been satisfied. The main point is that there should be no immigration for land settlement until the armed services, those returning from industry, and the normal increase have been taken care of.

If it should be decided, after a careful survey of land resources, that increased settlement by immigration is possible and desirable, then immigrants should be of a type

capable of assimilation into Canadian life. Submissions have been made to the Council that settlement of nationalities in groups should be avoided and special privileges should not be granted excusing immigrants from accepting full responsibilities under Canadian laws.

It is recognized that settlement in the grey soil zone would require special assistance in clearing and development, to ensure reasonable security for the settler. The use of large mechanical equipment with sufficient power is necessary to clear land and prepare it for cultivation. From experience the Northern Areas Branch of the Department of Municipal Affairs estimates that this cost would range from \$10.00 to \$25.00 per acre. Equipment and engineering services for this work should be provided by the Government.

All necessary social services, such as hospitals, schools, homes, community centres, transportation and rural electrification should be developed in a well planned programme of northern settlement. This would be an excellent area for testing co-operative farming.

Development of the northern area of Saskatchewan for settlement is too large an undertaking for the individual. Therefore it should be a joint responsibility of the Dominion and Provincial Governments.

The only other important possibility of land settlement and home building is in the proposed irrigation development, but it is doubtful if even its full expansion over a term of years, would do much more than accommodate the natural increase in population.

Under the school lands agreement the School Land Branch must, when land is sold, dispose of it by auction. A schedule of payments is outlined and when fulfilled title issues to the purchaser. This system has, from past experience, often given an excessive and fictitious value to the land and only in a period of good crops and prices is it possible to pay for it. The Council believes this policy of land disposal is detrimental to the development of a sound land use programme. It is therefore recommended that the Provincial Government consult with the Dominion with the object of instituting a more suitable system of school land sale.

In any programme of land settlement the best information on how to farm the land should be available to the settler. This is the responsibility of the agricultural representatives who should give him the benefit of the most recent research on production and cultural practices.

Municipal Boundaries

The difficulties of rural municipalities in fulfilling their responsibilities were brought to the attention of the Council in a number of submissions.

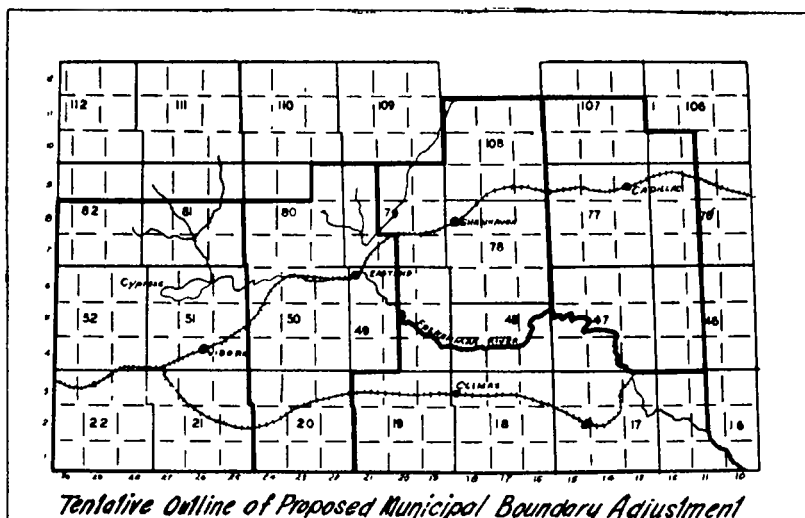
The Rural Municipality of Chaplin, No. 164, stated that the income of municipalities was too unstable and the municipal unit too small to enable it to look after roads. The Rural Municipality of Mantario, No. 262, proposed adjusting municipal boundaries to include larger areas as a means of properly financing health services. The problems of school financing, hospitalization, medical services, were all presented as reasons for considering the enlargement of present municipal units.

The Saskatchewan Association of Rural Municipalities stated that proposals of changing municipal boundaries were "worthy of careful consideration."

An inter-departmental committee, interested in the various governmental services in rural municipalities, was asked to present its opinion on adjusting present municipal boundaries. It discussed the effects of the new assessment, larger school units, health and medical services, agricultural and home economic extension, rural electrification and community activity. The Council was impressed by the very great interest expressed in all phases of rural municipal problems and the evident belief that an adjustment of boundaries would be one approach to a solution.

Any adjustment of municipal boundaries involves consideration of different soil types, amount of settlement, number of farms, transportation facilities and local marketing centres, size and shape of rural municipalities. The topography of the area, such as rivers, hills and other physical features presenting natural barriers, must be studied. Education, hospital and nursing facilities, and satisfactory agricultural services are all closely associated with municipal administration.

While the problem must be thoroughly investigated from every angle, and will probably require some time before a complete plan can be proposed, some thought has already been given to adjustment of municipal boundaries in certain areas of the Province. In the south-west, there are large grazing areas, the population is sparse, there are recognized boundaries such as rivers and the Cypress Hills with distinct water sheds. The transportation systems, both rail and highway, indicate definite market centres. These considerations were all carefully weighed and a tentative municipal division outlined, including portions or all of 24 municipal units and Local Improvement Districts. The proposal was to make five new municipalities, each with a central place of administration as shown on the map below:



If it were considered advisable to institute a county system, the five proposed rural municipalities could be united, with Shaunavon as the administrative centre. Whether such rural municipal units could be operated efficiently could be established by thorough investigation based on careful study and wide discussion.

The Council therefore recommends that a committee be set up to investigate the problem of adjustment of municipal boundaries. Its membership should include a representative from the University of Saskatchewan, organized farmers, the Saskatchewan Association of Rural Municipalities, the Urban Municipalities' Association and a technical agriculturist, under the chairmanship of a government appointee not necessarily from any of the interested departments. It is very essential that there be a technical adviser attached to the committee who is a specialist in municipal administration.

RECOMMENDATIONS

General

1. That in any plan to promote agricultural security, farmers should be encouraged to build up reserves for years of poor crops and that to accomplish this, government agencies adopt the policy of impressing on municipal officials and individual farmers the desirability of carrying over feed and seed from good to poor crop years.
2. That in order to stabilize the farmers' income, a price floor be established for farm crops to the end that a reasonable parity with the prices of other commodities be achieved.
3. That a programme of absolute free trade is one of great importance to Saskatchewan farmers to permit a free flow of wheat to export markets.
4. That in order to give reasonable protection to the farmer, the present Provincial and Dominion legislation for voluntary and compulsory debt adjustment be continued. Further that the Government of Saskatchewan investigate the proceedings under the Farmers' Creditors' Arrangement Act of 1943 to determine if they are proving satisfactory. If amendments are necessary to put the farmer in a position of security then representation should be made to the Dominion Government for changes in the Act to meet the requirements.
5. That the Government of Saskatchewan use its influence to further the objectives of the United Nations Food Conference held at Hot Springs and the fulfilment of the terms of the Atlantic

- Charter. Their realization would assure permanent markets for Saskatchewan farm products.
6. That as a post-war programme all essential navigation facilities at Port Churchill be investigated and a railway programme developed to permit of Saskatchewan farmers having a greater use of this short rail and water route to world markets.
 7. That the Prairie Farm Rehabilitation Act be extended immediately to include all agricultural areas of Saskatchewan.
 8. That there be a continued development of community pastures with construction of smaller units by P.F.R.A., in those areas where large blocks of land are not available.
 9. That the provisions of The Land Utilization Act respecting submarginal land be rigidly enforced to take poor land out of cultivation.
 10. That there be no immigration for land settlement in Saskatchewan until those returning from the armed services and industry have been re-established, and that there be recognition of the principle of providing settlement opportunities for Saskatchewan farmers' sons.
 11. That an immediate survey be made of the northern areas to define the boundary of land suitable for agriculture, and the remaining areas be established as forest reserves.
 12. That the development of settlement in the northern area of Saskatchewan be a responsibility of the Dominion and Provincial Governments.
 13. That a survey be made by the Dominion Department of Agriculture, under the direction of the agrostologist at the Swift Current Experimental Station, of all potential pasture land in Saskatchewan and that plans be drawn up for its proper utilization.
 14. That the Economics Branch of the Dominion Department of Agriculture and the Department of Farm Management of the University of Saskatchewan continue the economic classification of land until the whole agricultural area of Saskatchewan has been covered. Further, that the Soils Department of the University of Saskatchewan make detailed soil surveys of all agricultural areas as rapidly as possible.
 15. That the Provincial and Dominion Governments work out a form of sale for school lands to replace the present unsatisfactory method of sale by auction.
 16. That the Department of Agriculture and rural municipalities assist in financing portable seed cleaning units.
 17. That a farm machinery testing station be established in Western Canada to test and approve machinery used in production; this work to be done by co-operation of the three prairie provinces and the Dominion.
 18. That co-operative organizations and farm machinery companies investigate the possibility of establishing properly equipped machine shops at strategic centres in Saskatchewan to service farm machinery.
 19. That the Western Section of the Agricultural Engineering Committee investigate the possibility of using machinery now in the armed services for agricultural purposes.
 20. That Dominion Experimental Horticultural Stations be established in strategic areas in Saskatchewan.
 21. That the Dominion Department of Agriculture establish Illustration Stations in soil zones not covered by this service.
 22. That an immediate survey be made of honey flora in Saskatchewan to ascertain the most suitable districts for extension of this industry.
 23. That the Provincial Apiculture Branch be expanded to enable it to cope with expansion in beekeeping.
 24. That a committee be appointed to co-ordinate all available information and develop a permanent agricultural programme for the farmers in rural municipalities served by the Swift Current irrigation project. This committee should be composed of: an agricultural engineer, a grazing specialist, an agricultural representative and an economist, under the chairmanship of the Deputy Minister of Agriculture for Saskatchewan.
- ### Irrigation
25. That before any large irrigation project is developed there be a complete survey to determine the agricultural feasibility of the scheme.
 26. That an immediate and exhaustive investigation be made of the engineering possibilities and advantages of different proposals for conserving water in Saskatchewan rivers for irrigation. Further that there be a complete soil, agricultural and economic survey of the pro

- posed irrigable area served by both the North and the South Saskatchewan River developments.
27. That a Water Board be established representing Alberta, Saskatchewan, Manitoba and the Dominion of Canada to advise on the use of water resources of the prairie provinces.
 28. That surface water resources of Saskatchewan be surveyed at the earliest moment so that P.F.R.A. will have the necessary information to carry on a complete water development programme. These water measurements can best be undertaken by the Hydrometric Surveys Branch of the Department of Mines and Resources, Ottawa.
 29. That there be a resumption and completion of sub-surface water investigations formerly carried out by the Bureau of Economic Geology, Department of Mines, Ottawa.
 30. That small water development projects be carried out on as many farms in Saskatchewan as possible.
 31. That individual irrigation projects be developed wherever feasible.
 32. That the Swift Current project be completed as rapidly as possible, and construction of the Notukeu-Vanguard project be undertaken immediately, if it is feasible.
 33. That construction of storage facilities in the Avonlea-Rouleau irrigation block be undertaken and an immediate survey be instituted to determine the best irrigable lands in this area.
 34. That P.F.R.A. proceed with the Bear Creek storage system, define suitable irrigable lands, and outline an agricultural programme.
 35. That the water conservation programme on the Assiniboine River be undertaken to provide storage for municipal and irrigation purposes.
 36. That the development of storage on the Souris River be undertaken as a post-war project so that Saskatchewan may obtain beneficial use of the Canadian share of this international waterway. Also that a complete survey be made of the water conservation possibility of the Souris River drainage basin in south-eastern Saskatchewan.
 37. That the construction of Wascana Creek dam be undertaken as part of the water conservation programme of Southern Saskatchewan.
 38. That surveys be completed to determine the number and feasibility of projects where water could be pumped from the South Saskatchewan River for use of individual farmers located along this waterway.
 39. That the survey and development of water conservation and irrigation possibilities on the Battle River be proceeded with.
 40. That the survey of North and South Cypress Hills drainage basins be completed to determine the maximum water conservation and irrigation possibilities.
 41. That an agricultural survey be made to determine the feasibility of the Pike Lake pumping project. If this survey proves the area suitable for irrigation the P.F.R.A. should be urged to construct the necessary works.
 42. That the development of water conservation in the Qu'Appelle Valley be completed and an investigation be undertaken of the possibility of constructing a dam on the South Saskatchewan River at or near Riverhurst to take water over the "height of land" and put it in the Qu'Appelle Valley where it could be used for irrigation and as a source of water supply for Moose Jaw and Regina.
 43. That a complete survey be made of large scale pumping projects on the North and South Saskatchewan Rivers.
 44. That the Prince Albert dam be constructed as part of the post-war aviation programme in Saskatchewan.
- ### Crop Insurance
45. That the possibility of crop insurance be further investigated and consideration be given to a scheme involving contributions by the Dominion and Provincial Governments and a limited contribution by the farmer.
 46. That the Prairie Farm Assistance Act be continued until a satisfactory plan of crop insurance has been devised.
 47. That a committee be appointed representing the Governments of the three prairie provinces, the Rural Municipal Associations and the Dominion Government to consider solutions of difficulties existing under the Prairie Farm Assistance Act.
- ### Research
48. That a prairie branch of the National Research Council be established immediately to conduct research with regard to the industrial utilization of farm products.

49. That a provincial agricultural Research Council be established as an advisory body to the Government and to co-ordinate existing research agencies and suggest possible activities.
50. That the Provincial Government allocate a sum of not less than \$50,000 annually for research; the fund to be administered by a committee of the University staff appointed by the Board of Governors.
51. That the Provincial Department of Agriculture make arrangements with the Dominion Department of Agriculture for research in agriculture on the Dominion Experimental Stations in Saskatchewan.
52. That further experimental work be carried on to develop new forage crops suitable for Saskatchewan conditions.
53. That research work on weed control be continued and expanded by the University of Saskatchewan.
54. That research in horticulture be expanded by the University of Saskatchewan.
61. That rural municipal councils appoint advisory committees to assist the agricultural representatives in developing farm programmes, committees to be remunerated on the same basis as provided for council meetings.
62. That agricultural representatives promote the planting of trees for beautification and protection of the farmstead.
63. That the services of an additional qualified horticulturist be maintained at the University of Saskatchewan and be available to agricultural representatives for extension work in horticulture.
64. That increased financial assistance be given the Extension Department of the College of Agriculture for enlargement of the staff for women's extension services.
65. That qualified agricultural and home economics teachers be appointed for several high schools serving rural areas to determine the feasibility of teaching vocational agriculture in this manner.
66. That the Provincial Government explore the possibilities of obtaining financial assistance from the Dominion Government to increase the services of the Provincial Department of Agriculture.

Agricultural Education

55. That a dormitory for the School of Agriculture on the University campus be constructed at once.
56. That a committee be appointed to advise on the location and administration of two or three agricultural schools. These schools should be erected as soon as possible.
57. That the number of agricultural representatives of the Department of Agriculture be increased to fifty, and that representatives reside in their respective districts.
58. That a supervisor be appointed to administer the Agricultural Representative Service.
59. That the Land Utilization Board, with representation from the College of Agriculture, be the advisory board of the Agricultural Representative Service.
60. That in making new appointments graduates of approved Agricultural Colleges be employed by the Government as agricultural representatives provided they have the other necessary qualifications, and that there should be no departure from this practice except when suitable graduates are not available.
67. That a committee be appointed representing departments of the Provincial Government that deal with land, to study the merging of field staffs under the Land Utilization Branch of the Department of Agriculture.

Livestock

68. That there be further extension of experimental and research work in livestock nutrition.
69. That a committee representing producers, wholesalers, packers and government officials be set up immediately to investigate, and report to the Government on the desirability and feasibility of grading and marking all meat.
70. That there be an immediate increase in the personnel carrying on cow testing services so that this service may be available to a larger proportion of dairy herd owners.
71. That improved facilities be provided for the training of dairy plant personnel.
72. That a committee be set up at once to enquire into the marketing of dairy products, freight rate adjustments, and cost of dairy equipment.

73. That a study be made of the price structure necessary to maintain production of dairy products should present producer and consumer subsidies be discontinued.
74. That the Department of Agriculture immediately institute a survey of existing veterinary educational facilities and if found inadequate that a Veterinary College be erected at the University of Saskatchewan or at a point suitable to the Universities of the Western Provinces.
75. That more emphasis be placed on improving the breed of sheep for both wool and meat production under prairie conditions.
79. That personnel be provided for the Co-operation and Markets Branch as required to expand present inspection, advisory, and research services in co-operative undertakings.
80. That the Income War Tax Act be amended to clarify the position of co-operatives, credit unions and federations of credit unions with respect to income tax liability.
81. That the Dominion Government be asked to procure the passage of a Dominion Co-operative Act providing for the incorporation as Dominion companies of co-operatives operating on an inter-provincial basis.

Co-operation

76. That an investigation be made by the Co-operation and Markets Branch to determine the need for livestock feeding organizations and methods of financing them, particularly in the irrigated districts.
77. That the Co-operation and Markets Branch explore the possibilities of co-operative farming.
78. That the curricula of the secondary schools provide instruction in the history and principles of co-operatives.

Municipal Boundaries

82. That a committee be set up to investigate and suggest adjustments of rural municipal boundaries.

Rural Housing

83. That suitable plans for farm homes be prepared, and arrangements made under Dominion auspices for financing building and renovation.

PART VI.

DEVELOPMENT OF NATURAL RESOURCES

If the reconstruction period is to be effective for Saskatchewan, one of the objects must be the achieving of an adequate standard of living for the people. It is felt that this can be accomplished only by the best and most economic utilization of the resources of the province, using that term in its widest and most comprehensive sense.

Saskatchewan's most valuable resource is her soil and a special section of the Report is devoted to a discussion of "Agriculture" which includes irrigation, soil conservation and research. There are, however, other very important natural resources in the province to which increasing attention must be given and which must be included in any developmental programme Saskatchewan may adopt.

Mapping and Survey Work

It is axiomatic that accurate maps are essential before the resources of any area can be explored and developed with any degree of efficiency. They are of particular value when it comes to the question of carrying on geological survey work in unknown and comparatively uninhabited areas such as northern Saskatchewan.

Dr. J. B. Mawdsley, Department of Geology, University of Saskatchewan, has prepared a special study for the Council outlining in great detail the geological and topographic mapping and survey work necessary to the fullest utilization of Saskatchewan's mineral wealth for the benefit of her people. This study is attached to the Report as Appendix 4.

It is essential that the maps of the entire province should be uniform and conform to the scale of maps issued under the National Topographical series. However, before a considerable portion of the topographical mapping can be proceeded with, certain base line surveys must be made. This particular branch of survey work is the responsibility of the province, and it is recommended that it be completed with all possible speed.

The Controller of Surveys, Department of Natural Resources, Mr. D. A. Smith, in

a detailed presentation to the Council, makes the following observations:

"All of the work outlined is useful and necessary. The benefits of a large portion of it will be felt immediately, while the benefits from other portions will only be realized as the work is required for special purposes. Sooner or later, however, every portion of the work performed under all the proposed projects will serve a useful purpose.

"No attempt has been made to complete all the work of the type dealt with in any of the projects. There will be work for very many years to come of the same character, and all that I have proposed is work that appears to be more or less urgent. The restoration and permanent establishment of the monuments of our survey system could have been commenced to advantage before the province was formed. Our parks, forests and game preserves must be surveyed before they can be properly controlled, and before we can develop our northern areas, we must have a framework of surveys by which developments may be controlled. While constructing that framework we will be obtaining information of inestimable value in planning our northern developments.

"I believe that the value of the work itself will far exceed the cost and I also believe the training of men employed on the work will be of great value to the men employed and to the province, for we are training them for a work that is necessary for the province, and at the same time we are helping them to readjust themselves after the strains of war."

The usefulness and the necessity for purposes of aerial photography and mapping of base line surveys shown on the map and discussed in the following paragraphs are confirmed by a letter from K. G. Chipman, Chief Topographical Engineer, Ottawa. He says, in part:

"As these governing lines are usually well cut out and readily identifiable on air photography subsequently taken for mapping purposes, they will serve not only their original administrative pur-

pose, but also as ground control for the compilation of air photography covering the areas they traverse. For the latter purpose, the extension of the Second and Third Meridians to the North boundary of the province and the running of the 28th base line would be of the greatest

assistance for control use in compiling the northern four mile map sheets covering the blank spaces on the map submitted, from air photography not yet available."

Project No. 1 would include the following surveys, totalling 2,525 miles.

1. Manitoba-Saskatchewan Boundary	360 miles
2. Third Meridian North of Township 72.....	325 miles
3. Other Meridian Lines, Base Lines and Township Outlines	1,840 miles

The Manitoba-Saskatchewan boundary line survey is included here because of its importance, but it is not possible to obtain cost estimates because the work will necessarily have to be performed under instructions from the Manitoba-Saskatchewan Boundary Commission.

These surveys must be made to conform with the standard of base line surveys made by the Dominion in recent years. Levels will be taken on all surveyed lines with permanent bench marks established at suitable intervals. The elevation of all rivers, streams and lakes crossed will be determined and recorded for future development.

It would be desirable to have specialists attached to the survey parties, whose combined reports, coupled with those of the survey party, should give generally com-

plete information as to the resources and possibilities of the country traversed by the survey. The cost estimates given by Mr. Smith do not include the expenses or salaries of such specialists.

The work for Project No. 1 can best be done in the winter, and during the summer months the technical personnel can be employed on restoration surveys, placed in Project No. 2. It is estimated that this project will take approximately five years to complete and will cost \$342,800 for the five years. During the first season, because of the shortage of technical personnel, it might be necessary to have one qualified surveyor supervising two parties, but by the second year, it is anticipated that enough men would be trained on the job to handle parties themselves, and this would speed up the work. A total of 76 men will be needed, of whom 44 would be non-technical workers.

Estimate of Costs

Items	Seasons				
	1st	2nd	3rd	4th	5th
Equipment	\$20,800	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Supplies	11,400	11,400	11,400	11,400	11,400
Salaries	34,800	34,800	34,800	34,800	34,800
Miscellaneous	8,000	8,000	8,000	8,000	8,000
Administration	7,000	7,000	7,000	7,000	7,000
Totals	\$82,000	\$65,200	\$65,200	\$65,200	\$65,200

Project No. 2 will consist largely of the retracement of original surveyed lines governing the boundaries of sections and quarter-sections, and permanently re-establishing the monuments at section and quarter-section corners. This work will be confined largely to those areas first surveyed under the Dominion Land System of Survey where practically all the original monuments have been lost or obliterated.

It is difficult, if not impossible, to state exactly how much re-establishment work is necessary without investigations in each township. In some it will be found that all the original monuments need re-establishment and in others only portions will have to be done. In many parts of the

province the original monuments have almost entirely disappeared and in others a large percentage have been lost. More are disappearing year by year, and with the passing of the old settlers, it is becoming practically impossible to obtain reliable evidence as to their original positions.

Because their restoration becomes increasingly difficult and expensive as time goes on, the sooner this work can be undertaken, the better, and it is the opinion of the Council that it should be started as soon as personnel are available.

In carrying out restoration surveys an excellent opportunity is presented for training men who wish to become land

surveyors. This project, taken in conjunction with Project 1, will provide valuable experience in the two main divisions of land surveying, primary and secondary surveys. Surveyors must have a knowledge of both.

The total number of men required to supply six double parties for this work is 102, of which 6 would be Saskatchewan

land surveyors, 48 (including the leveller and his rodman) would receive technical training enabling them to obtain other employment, and the balance would have useful employment with fair remuneration.

A five year programme would cost a total of \$676,000, broken into seasons as follows:

Estimate of Costs

Items	Seasons				
	1st	2nd	3rd	4th	5th
Equipment	\$ 48,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
Supplies	15,000	15,000	15,000	15,000	15,000
Administration	12,000	12,000	12,000	12,000	12,000
Miscellaneous	8,000	8,000	8,000	8,000	8,000
Materials for Monu- ments	20,000	20,000	20,000	20,000	20,000
Wages	65,000	65,000	65,000	65,000	65,000
Totals	\$168,000	\$127,000	\$127,000	\$127,000	\$127,000

Mr. Smith points out that he has estimated the cost of equipment at normal rates, but he feels it should be possible to obtain a great deal from surplus army stores after the war at reduced costs.

Project No. 3 includes surveying and marking with permanent monuments the boundaries of parks, game preserves and provincial forests, which have never been defined on the ground, and the resurvey of others whose boundaries cannot be found. It also includes the survey or resurvey of a number of interior lines, trails, etc., which will assist greatly in the administration of the reserved areas.

These surveys will aid in the efficient control of parks, game preserves and provincial forests. They will aid, in the case of forest reserves, in establishing controls for timber sales, for leases of all kinds and for the handling of other areas set aside for special purposes.

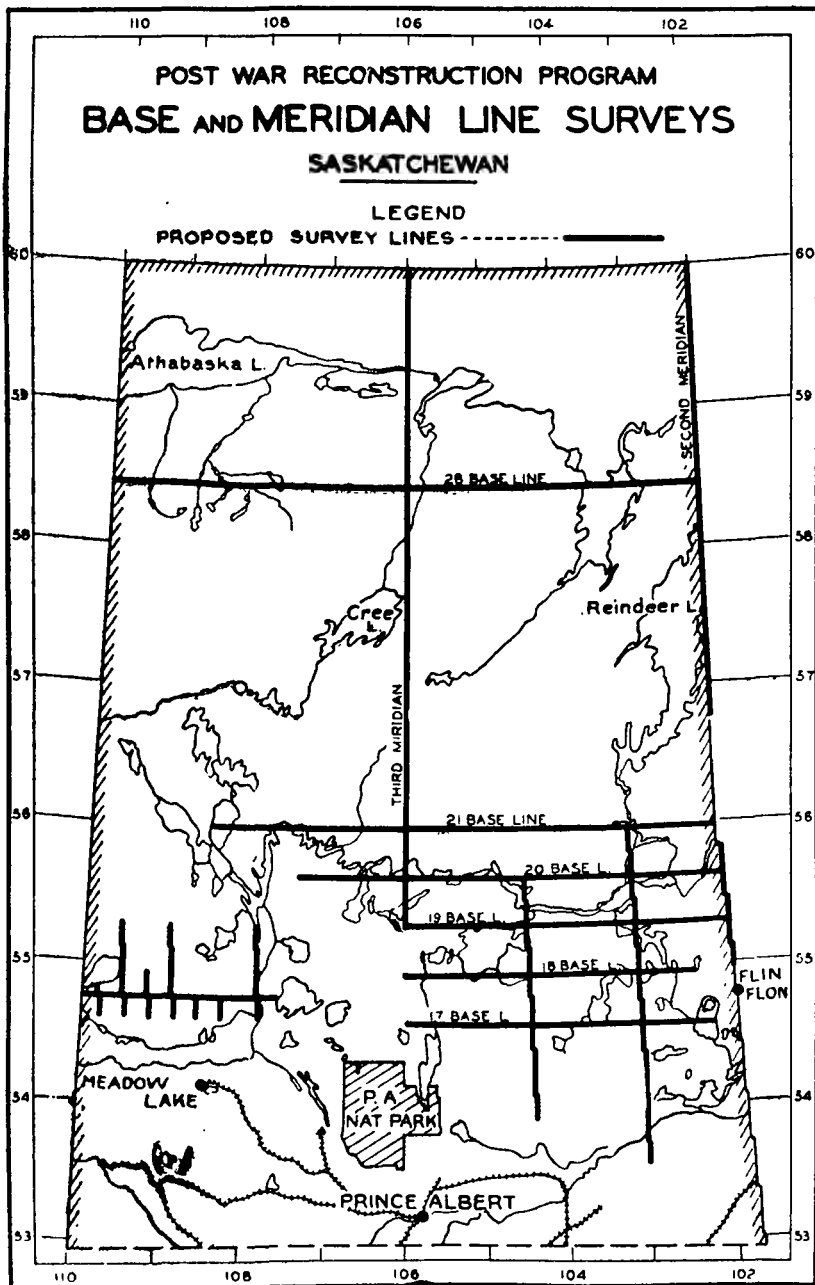
Further, in making these surveys useful information will be obtained regarding timber, soil and minerals; and a study of the water areas, in conjunction with the levels taken on the work, will show the possibilities for the development of fur and fish.

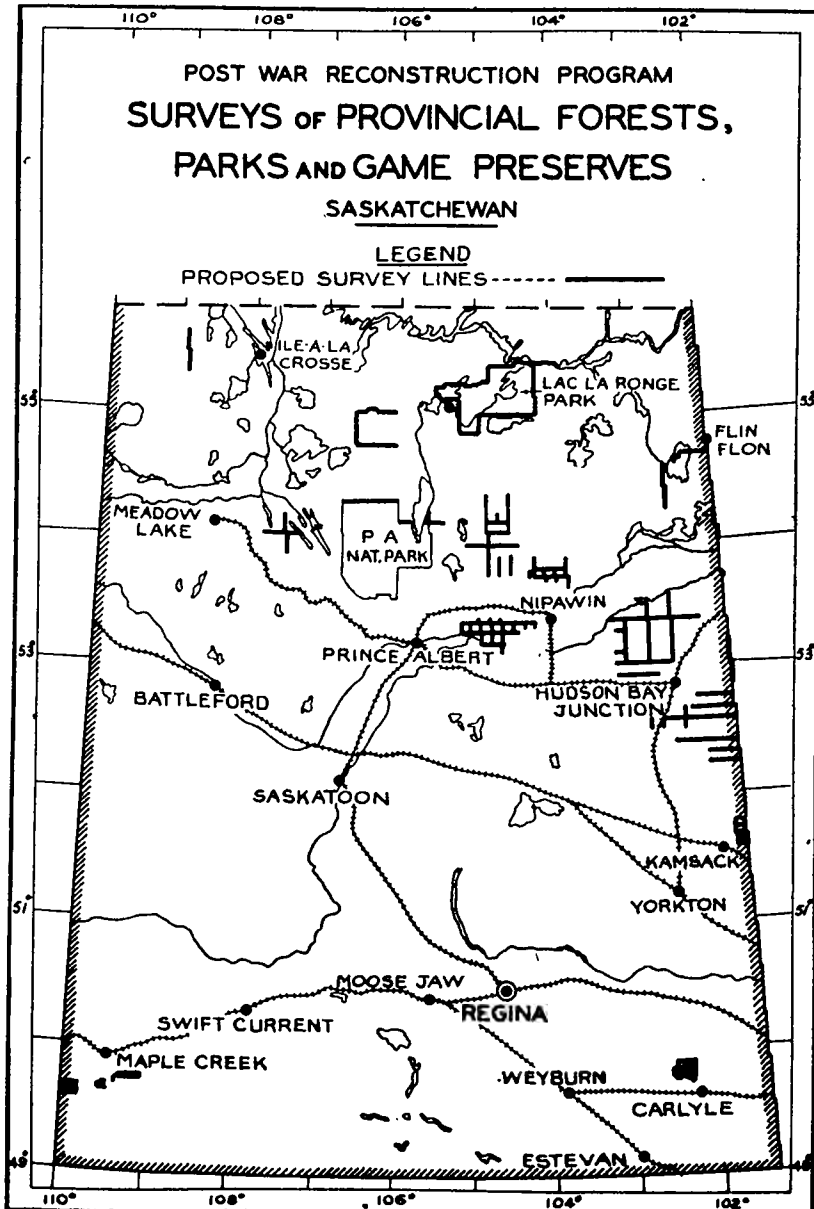
A great deal of this work can be done best during the summer season, but the survey of the boundaries of some areas, especially the Lac la Ronge Park, should be done in the winter months.

A total of approximately 70 men will be needed for the work on this project, although it is difficult to estimate exactly because of the varied size of the parties going into the field. The total cost for a five year programme will amount to \$381,000, divided as follows into the seasons:

Estimate of Costs

Items	Seasons				
	1st	2nd	3rd	4th	5th
Equipment	\$26,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Wages	34,000	34,000	34,000	34,000	34,000
Survey Posts and Materials	7,000	7,000	7,000	7,000	7,000
Miscellaneous	7,000	7,000	7,000	7,000	7,000
Administration	9,000	9,000	9,000	9,000	9,000
Supplies	10,000	10,000	10,000	10,000	10,000
Totals	\$93,000	\$72,000	\$72,000	\$72,000	\$72,000





The summary of costs for the entire five year programme is set out in the following table:

Summary of Costs—Base Line Surveys

1. Manitoba-Saskatchewan boundary, Third Meridian; other meridian lines, base lines and township lines.....	\$ 342,800
2. Restoration and Re-establishment Surveys.....	676,000
3. Surveys of Park, Provincial Forests and Game Preserves.....	381,000
	<hr/>
	\$1,399,800

In view of the great importance of this work, and the fact that it is a prerequisite for topographic and geological mapping, which in turn must precede any appreciable mineral development in the province, the Council recommends that the base line surveys be completed as quickly as possible.

Topographic Mapping

With the exception of a few areas in Northern Saskatchewan, topographic maps of some description are available for the entire province. Certain sections, notably in the north, are covered by recently completed maps of good and adequate grade on the scale of four miles to the inch. The southern part of the province is covered by a series of maps on the scale of three miles to the inch. Dr. Mawdsley declares that, while these maps are reasonably good, the information is inadequate to meet the demands placed on them by numerous agencies and organizations.

In his submission, Dr. Mawdsley explains that modern topographic mapping uses serial photographs controlled by ground control surveys. These photographs and maps are available for all sorts of uses by the geologist, forestry expert, agricultural agencies and engineers engaged in irrigation, power, highway and other projects. Thus the great importance of having topographic maps up to standard can be seen.

For convenience he has divided the province into two sections on the basis of maps available and required.

(a) Latitude 60° to Latitude 53°

A great proportion of this area has been photographed, and excellent maps on the scale of four miles to the inch have been published in what is known as the National Topographical Series. 28 sheets (2° longitude by 1° latitude) will cover the area, and of these 15 sheets have already been completed. Of the remaining 13 sheets, five to seven of them should be proceeded with shortly.

Estimated Costs—Topographic Mapping

Oblique Aerial Photographs (per sheet).....	\$20,000
Ground Control (per sheet).....	5,000
Compilation and Office Work.....	10,000
	<hr/>
Cost per sheet.....	35,000
Total for 13 sheets.....	\$455,000
Mapping Selected Sections, 2 or 1 mile to the inch—	
Vertical Photography	40,000
Ground Control	10,000
Compilation and Office Work.....	15,000
	<hr/>
	65,000
	<hr/>
	\$520,000

(b) Latitude 53° to Latitude 49°

This area is covered by 24 sheets which may be classified as follows:

1. A grade (15)—most recent and contoured on 50 foot intervals. Adequate for a few purposes and a high degree of ac-

curacy within the limits of the scale and contour interval.

2. B grade (3)—a revision of older maps with 100 foot contour intervals. Accuracy of contours is low, and they are of little use in detailed geological or other work.

3. C grade (6)—old survey, no contours, and topographic features imperfectly shown. Of little use for any accurate work.

At the rate of \$60,000 per sheet for unit area, Dr. Mawdsley estimates that it will cost \$960,000 to bring the topographic mapping of this area up to the standard required.

This makes the total estimated cost for topographic mapping \$1,480,000, or a yearly cost of approximately \$100,000 if a 15-year programme is adopted.

The Council recommends that the Government urge the Dominion service to complete this work at the earliest opportunity, in order to facilitate the other survey work that must be carried on in Saskatchewan to obtain accurate knowledge of natural resources.

Geological Mapping

The next step, after topographical mapping, is to obtain geological maps of the province. This will have to be done over a period of years, and even with a greatly accelerated programme it will take, in Dr.

Mawdsley's opinion, at least 15 to 20 years to map the province geologically.

Up to the present practically all the geological maps of Saskatchewan have been prepared by the Geological Survey of Canada. In recent years a number of companies interested in gas and oil have done considerable work in drilling and geophysical surveys in the southern part of the province. The resultant information is not available to the public at present, although in due time and by law it will be, thereupon revealing a great deal of the geological picture of the southern part of the province.

It is the opinion of the Council, concurring with Dr. Mawdsley, that the geological survey work should be left in the hands of the Geological Survey of Canada, but greatly accelerated. The geological staff of the University could be used to a greater extent, as well as students being trained there. Personnel will have to be trained for a good deal of this work, and that may slow up the initial stages.

An estimate of costs of conducting such a geological survey in the province is contained in the following summary:

Estimated Costs—Geological Mapping

Northern Saskatchewan—from latitude 60° (north boundary) to latitude 54° (passing 50 miles north of Prince Albert). (Pre-publication costs):

(a) 1 degree by 1 degree quadrangles on published scale of 1 inch=4 miles:	
Field work, per sheet.....	\$ 4,000
Salary of chief, compilation and laboratory study.....	6,000
	<hr/>
28 such quadrangles.....	\$10,000
	<hr/>
(b) 15 minuet by 15 minuet quadrangles on published scale of 1 inch=1 mile or less:	
Field work, per sheet.....	\$ 3,500
Salary of chief, compilation and laboratory study.....	6,000
	<hr/>
20 such quadrangles.....	\$ 9,500
	<hr/>
	\$190,000

Southern Saskatchewan—from latitude 54° to latitude 49° (south boundary):

(a) 1 degree by 1 degree quadrangles:	
Field work, per sheet.....	\$ 2,500
Bore hole drilling for geological information.....	6,000
Salary of chief, compilation and laboratory study.....	6,000
	<hr/>
15 such quadrangles.....	\$14,500
	<hr/>
(b) Detailed work in special areas hard to define or estimate approximately	\$217,500
	<hr/>
	\$ 50,000
	<hr/>
Total cost of getting an adequate coverage of geological maps for present and immediate future needs in Saskatchewan	<hr/>
	\$737,500

Estimating 20 years for the completion of this programme, it will cost a yearly average of \$37,000.

Before closing this section of the Report, some attention must be given to the mineral resources of Saskatchewan so far as they are known. For the fiscal year ended April 30, 1943, the mines of Saskatchewan produced an all-time high value of minerals amounting to almost \$21,000,000.

Much remains to be done in the survey field as to mineral potentialities in the province, as well as extensive investigation into the utilization and development of these resources in our largely undeveloped northlands. The Council recommends that such surveys be undertaken.

The following is a list of the mineral potentialities of Saskatchewan, indicating further investigations that must be undertaken:

Oil and Gas—Extensive searches are being conducted by various oil companies in an effort to find productive oil or gas fields, so far with little success. The Department of Geology at the University of Saskatchewan is aiding by analyzing well samples.

The Production of Liquid Fuels from Coal and Gas—Coal can produce liquid fuel, at a price, and the possibility of using Saskatchewan coal deposits for the production of gasoline, diesel and other liquid fuels needs thorough investigation. Certain tests have already been made with Canadian coals, Dr. Mawdsley reports, but Saskatchewan lignite coal placed close to the bottom of the list in productive ability of liquid fuel. However, new techniques might change this.

Tar sands at Ile a la Crosse are similar to the McMurray bituminous sands of Alberta, and consequently the experiments being conducted to find an economic commercial extraction of the bitumin should be watched with interest.

Coal—The lignite coal deposits in the south-eastern section of the province form one of our most valuable resources. Field work in the mapping of these coal areas is necessary, and there is undoubtedly considerable information obtainable from official records and other sources. Two summers' work by a competent geologist with a practical and economic flair, in Dr. Mawdsley's opinion, should supply the bulk of this information. Certain proposed uses of this resource have been discussed in some detail in the "Industries" section of the Report.

Aluminum Bearing Clays—Investigations are now being conducted in the United States to ascertain the possibilities of extracting aluminum from these clays. Clays with an aluminum content of 32 per cent. have been discovered in Saskatchewan and further investigation of possible bauxite deposits should be made.

Clays of Ceramic Value—Saskatchewan is rich in these, and the red burning clays have been used for many years in the manufacture of building bricks and tile at Estevan, Bruno, Claybank and other places. The clay products industry and its possible future is discussed in detail in the "Industries" section of the Report.

Sulphate Deposits—Output of these salts shows a slight increase over that of the previous year, 130,650 tons as against 127,187 tons. Data on these deposits are probably adequate for present needs.

Mineral Deposits in the Precambrian Area—The mineral deposits of special interest are copper and gold, and these to date have been found in a few areas of northern Saskatchewan. A third of the late Precambrian area (30,000 square miles) is underlain by the late Precambrian Athabasca sandstone, and insufficient exploration has been done in the remaining portion to establish its possibilities. To date only two areas are in production, Flin Flon and Goldfields, but two or three others have received considerable prospecting attention.

The mines of the Goldfields area have been closing down, with the result that Goldfields itself is becoming a "ghost" town. The 500 inhabitants have moved elsewhere and all that remains is the silent plant, two watchmen, and a few prospectors over military age. The "Box Mine" closed in August, 1942, and in the same year the Pamon Gold Mines plant on the west side of Amisk Lake was destroyed by fire. Despite the loss of these two mines the total value of metals for the fiscal year ended April 30, 1943, was in excess of \$18,000,000 as against \$11,600,000 the previous year.

The report of the Supervisor of Mines of the Department of Natural Resources reveals that the strategic metals tungsten and molybdenum were discovered at Phantom and Mosher Lakes in the vicinity of and between Flin Flon and Amisk Lake, and, molybdenite on the north end of Birch Lake. The Geological Survey, Department of Mines and Resources, Ottawa, had Dr. T. L. Tanton investigate these occurrences, but what was seen was not considered of commercial importance because the deposit revealed was too small. He, however, advocated further exploration and stated that it might result in finding larger and richer ore bodies.

The most constructive approach to the problem of mineral resources is to complete the mapping and geological survey of potential areas to aid the prospector in confining his efforts to the most likely sections.

The Council recommends that the Mines Branch of the Department of Natural Resources be strengthened by adding to its

personnel several qualified geological and mining engineers competent to give advice concerning future mining development in this province. It is also desirable that a specialist in the field of oil well development be added to the staff. These men will be expected to appraise the mineral resources of Saskatchewan as revealed by the proposed mapping programmes and give advice concerning their development.

Geological and Prospecting Personnel

Dr. Mawdsley devotes a considerable portion of his presentation to a discussion of the need for obtaining trained personnel in the fields of prospecting and geology.

The first graduates in Geology from the University of Saskatchewan were two men in 1932, and since then 82 have received degrees. Eighteen of these are geological engineers, essentially mining or petroleum engineers whose course stresses geology more than equivalent courses elsewhere.

Because geological work has not been considered a serious factor in the war effort, the numbers now enrolled in these courses are but a fraction of normal. In addition war casualties and diversion of trained men from work in the mineral industry will lower the number of trained men available for the industry in the immediate post-war period.

Increased registration can be anticipated almost as soon as hostilities cease, and Dr. Mawdsley estimates that the numbers graduating in the two geological courses will be between 15 and 30 yearly. Present space and equipment at the University is not sufficient to handle such an increase.

Certainly no reduction in demand for trained personnel by the Canadian mining industry is to be anticipated in the post-war period, and indeed it would appear that there will be a distinct shortage of such personnel.

Regarding accommodation for students taking geological courses, Dr. Mawdsley says: "A preliminary estimate indicates that a specially designed building, 50 by 80 feet, comprising two stories and a basement, the latter fitted for storage and re-

search, will probably answer the purpose. It is envisioned that there will be little idle time during the day for any of this space."

The Council recommends that the claims of the Geology Department for additional space should receive attention when University building plans are being considered.

The final section of Dr. Mawdsley's report discusses training of prospectors for the post-war period. This is a very difficult profession, in which very few men appear to have the tenacity and other qualities to make a success. For this reason he is opposed to encouraging any large number of "average" men to take up prospecting as a profession on their return from the armed forces.

The ideal plan to train prospectors, he points out, is in a mining environment. Instruction in prospecting in a mining centre will attract men with a suitable background, experience and knowledge, because much of the technique necessary in prospecting is part of their daily routine. Pending further development, there are no centres in Saskatchewan other than Goldfields and Flin Flon where these conditions are approached. Nor does Saskatchewan hold out any great hopes for lucrative discoveries by prospectors except in certain restricted areas. However, prospectors would be of great assistance in confirming this opinion and might uncover valuable ore bodies. Were men trained in this province, the chances are that the majority of the most able would go to other more promising areas in northern Canada.

Dr. Mawdsley has a detailed plan prepared for a training school at Flin Flon, where men could work for one of the mining companies part time, and take classes while off duty.

Forest Resources

The chief forestry resources of Saskatchewan are found in the mixed forest belt, which stretches north-west across the province immediately north of the settled area and covers 25 per cent. of the land surface of the province. The extent of this forest and other vegetation belts is given in the following table:

Vegetation Belt	Acres	Per Cent. of the Provincial Area
Sub-Arctic Forest	6,400,000	4.0
Northern Coniferous Forest.....	53,979,500	33.5
Mixed Wooded Forest.....	35,340,100	21.9
Aspen Grove Forest.....	16,224,000	10.1
Grass Lands	49,144,400	30.5
Total for Province.....	161,088,000	100.0

The Northern Coniferous and Sub-Arctic forests, found north of the Mixed Forest belt, and comprising about 35 per cent. of the land area of the province, have no timber resources of commercial value. They supply minor local needs, act as a shelter

for wild life, and protect water sheds from too rapid run-off.

Of the 40,272,000 acres of land that contain timber resources of commercial value, approximately 15,000,000 acres may be classed as protected or potential areas, classified as follows:

Mixed Forest Belt	Area
Provincial Forest	6,521,534 acres
Additional Protected Forests.....	5,711,310 acres
Prince Albert National Park.....	1,198,029 acres
Potential Commercial Forest.....	1,617,427 acres
Total	15,048,300 acres

During the past 40 years over four billion feet board measure of saw timber, and large quantities of railway ties, building logs, pulpwood and fuelwood have been harvested. Annually for the past five years over 125 million board feet of saw timber, as well as large quantities of railway ties and pulpwood, have been taken out of Saskatchewan's forests. The annual value of these forest products amounted to over five million dollars, and 90 per cent. was exported.

Depletion of Saskatchewan's forest resources has been rapid, particularly in the last 10 years, and it is now estimated that almost 25 per cent. of the accessible forest area has been logged off or burned over.

On these areas the residual stand and re-production of valuable tree species is insufficient to provide a future stand of merchantable timber within a reasonable time. Logging operations started in this province about 1900 and by 1920 most of the large mills had closed down. Lumber mills are now mostly small portable outfits and there are over 300 saw-mills in the province.

If the present rate of consumption of timber continues, virgin and mature stands of white spruce and fir suitable for saw lumber will be exhausted in 10 years. It has been estimated that average annual depletion in the accessible forest area during the past 10 years has been as follows:

Depletion by:	Cubic Feet of Standing Timber	Per Cent.
Use	35,531,330	37.6
Fire	43,155,000	45.7
Insects, Disease, Windfall.....	15,737,266	16.7
	94,423,596	100.0

(Increased consumption may be anticipated during and following the present war period).

From the above table it is apparent that in order to maintain our forests in a productive condition, more intensive methods of protection and management will be necessary to save the cut-over land and young growth from fire, and the increment of growth accelerated in the young stands by proper improvement cuttings. Reforestation will be required to re-stock barren areas which have not seeded in naturally.

The Province of Saskatchewan took over the management of its forest resources under authority of The Forest Act of 1931 and subsequent amendments. Prior to that time the Dominion Government was responsible for the protection of all forest areas, but now is only expected to protect the timber on national parks and Indian reservations.

There are seven organizations, in addition to the Department of Natural Resources, interested directly in forest fire protection, although to a somewhat lesser degree. Organized rural municipalities and the Northern Areas Branch in local improvement districts administered by the Department of Municipal Affairs, are responsible for prairie and forest fire protection in accordance with the provisions of The Prairie and Forest Fires Act.

At the present time the forestry department has a staff of between 40 and 50, which is doubled in the summer months. These men are charged with the supervision of most of the activities of the department in their particular district including inspecting, supervising and reporting on timber operations, fire protection, lands,

grazing, fish and game. During active and busy seasons additional assistants such as timber cruisers, scalers, fire patrolmen, tower men and radio operators are employed.

Fire is the greatest hazard with which forestry men must deal. Fire fighting crews are recruited mostly from local settlers and woods or mill crews. Air services required in connection with fire protection are obtained from commercial firms and normally two or three aircraft are engaged in detection, patrol and transportation during a season. Several submissions to the Council dealing with fire protection for Saskatchewan forests strongly urged that air patrol work be increased in the post-war period, using the services of demobilized air force personnel.

For the first seven years after the transfer of natural resources to provincial control in 1930, the province endeavoured to continue the protection of 51,000 square miles of forest lands on which the Dominion Government 3 year average annual expenditure was \$280,601 or \$4.91 per square mile. This extensive fire protection was maintained until 1937 when disastrous and wide-spread fires occurred, taxing the organization to the limit, and entailing an all-time high forest protection expenditure of \$558,017. This sum was more than 60 per cent. of the total revenue of the Department of Natural Resources from all sources and \$272,289 in excess of the forestry revenue for that year.

In 1938 the size of the protected forest area was reduced 50 per cent. and efforts ever since have been concentrated on an accessible protected forest area now totaling 21,000 square miles. It has been found desirable to concentrate the available field force and funds allotted for forest protection on the more valuable and accessible forest lands. However, valuable stands of timber outside the protected area have not been neglected when threatened by fire, although they are given only secondary attention in comparison with protected areas.

The fire hazard has been increased by the movement, during the drought years of 1932-38, of many settlers from the southern parts of the province to the northern forest areas. The only large area of land that remains in this province that can be used for new settlement is in the northern areas, and it is the Council's opinion as set out in the "Agriculture" section that an immediate survey should be carried out to define the boundaries of land suitable for agriculture in these sections. When such areas have been mapped, the remaining blocks which are suitable only for forest reserves should be set out permanently and protected for this purpose.

The Department of Natural Resources states quite definitely, and the Council concurs, that the use of fire as a clearing agent should be discontinued entirely, and offenders should be penalized impartially. If such a policy is to be inaugurated, the Government will, of necessity, have to provide assistance for clearing and breaking the land wherever it is needed in order to discourage burning. In addition the timber removed by clearing operations might be put to profitable use.

The Forestry Branch of the Department of Natural Resources has worked out a detailed five year forestry plan with the location and extent of all new projects clearly mapped. For purposes of the new programme the province has been broken into four areas, three (Hudson's Bay Junction, Prince Albert and Meadow Lake) in the northern mixed forest zone, and one in the prairie areas.

A condensed summary for all areas for the five year period is given in the following table. The programme falls into three main classifications—fire prevention, silvicultural development, and development of resort and recreational areas.

Forestry Work Projects

Fire Prevention and Protection

Fireguards	979 miles
Fireguard truck trails	1,112 miles
Truck and main roads	1,508 miles
Surveys, lines, trails, fireguards	4,495 miles
Dams, water conservation	449
Buildings—Cabins	44
Lookouts	29
Miscellaneous	46
Telephone lines—construction and maintenance	436 miles

Silvicultural Developments

Forest surveys	5,220 square miles
Forest Nurseries (new)	4
Forest Plantings (reforestation)	14,350 acres
Forest Improvement cuttings	180,200 acres
Timber marking	200,000,000 F.B.M.
Portable saw-mills	3

Resort and Recreational Areas

Development and Improvement	15 locations
Tourist Camp Sites	3

Manpower and Equipment Classification

Labour requirements	880 men
Administrative staff	120 men
	1,000 men
Total man days	1,500,000
Total tractor days	39,409
Total team days	76,745

Estimated Costs

Fire protection and prevention	\$2,453,020	
Silviculture	3,856,834	
Resorts and Recreation	268,920	
Miscellaneous	21,226	
		<hr/>
		\$6,600,000

Estimated Cost of Construction and Operation Equipment

Capital Costs	\$643,733
Depreciation	143,733
Chargeable to programme included in grand total	500,000

In the opinion of the Council both Dominion and Provincial governments in the past have given far too little attention to the conservation and orderly utilization of our forest resources. The importance and value of Saskatchewan's forest resources are such that their conservation should be started immediately and every effort made to continue it.

It was further suggested by the Department of Natural Resources that a joint forestry school should be set up at one of the prairie Universities to train foresters and forestry engineers for this region. A current canvass of the forestry profession in the prairie provinces reveals that 24 engineers are absent in the armed forces. It is estimated that 70 professional and technical foresters will be needed for post-war reconstruction immediately by government and private industries. As the conservation and protection programme develops, a continuing supply of such trained personnel will be needed.

The national forestry programme started in 1939 to train young men for forestry work was considered very successful by Saskatchewan forestry officials, and it is recommended that this be continued. It could prove of great assistance in the rehabilitation of ex-service men, even if they do not take up forestry as a life-work.

It is also recommended that a new forest reserve be formed in the north-west of the province, bordering on the Alberta boundary on the west and the Waterhen River on the south.

Fisheries

One of the potential fields for further development is Saskatchewan's fishery resources, which, given improved transport and market facilities can be developed into an extremely important industry. During the year ended April 30, 1943,

9,954,440 pounds of fish were taken out of 128 of Saskatchewan's northern lakes, valued at \$1,070,293.16, at the shipping point. This was an increase in market value of \$523,053 over the previous year, due to higher prices prevailing for such species as whitefish, trout and pickerel throughout the season.

It is anticipated that the use of aircraft to fly fish from inaccessible lakes will increase in the post-war period, and the construction of roads into the northern areas of the province will further facilitate the marketing of the catch.

At the present time there is only one fish hatchery in the province, at Fort Qu'Appelle, for whitefish and pickerel and it is considered by the Fisheries Branch of the Department of Natural Resources that additional hatcheries are required at Makwa Lake and Lac la Ronge. These would employ six permanent employees and ten temporary employees.

The proposed hatchery at Makwa Lake would take care of all lakes and streams in the north-western part of the province, and that at Lac la Ronge the north-eastern section. The type of hatchery that is under consideration would have a capacity to hatch 28,800,000 whitefish eggs, 97,920,000 pickerel eggs and 4,000,000 trout eggs a year.

The estimated cost of building each hatchery is approximately \$30,000. Machinery, equipment and installation would cost \$10,000. These hatcheries are needed to combat the overfishing of lakes by augmenting natural reproduction. They can also be used to stock formerly barren waters with fish for pleasure purposes as well as commercial fishing. The annual cost of operation of each of these new hatcheries would be \$12,000.

The Fisheries Branch also strongly recommended that a biological survey be carried on in all our principal fishing waters to assure the best methods of improving fishing conditions by checking species already planted in lakes, and to investigate lakes containing parasitized fish to ascertain control methods, etc. With this recommendation the Council concurs.

The first steps in this much-needed research and survey work have since been taken by the Dominion Fisheries Department, it was announced recently from Ottawa. It is proposed to set up a permanent fisheries research station on the prairies similar to those which operate on the coasts. The exact location has not been announced.

A programme of fresh water fisheries research will be inaugurated, and arrangements made by the Federal and Provincial

Governments under which all whitefish intended for export by the provinces will be subject to rigid inspection. This should aid in obtaining better prices for Saskatchewan fish in export markets, because one complaint in the past has been the lack of uniformity in quality of fish shipped out. This was brought to the Council's attention quite strongly in Prince Albert.

Almost immediately following the conference between Dominion and provincial authorities that decided in favour of a research station, the Provincial Department announced that a large scale survey of the 128 commercial fishing lakes is being organized and will be started this summer. It is aimed at maintaining and improving the quality of whitefish production. It is anticipated that the survey will require more than a year to complete.

Emphasis will be placed on improving the quality of whitefish exported from Saskatchewan, but it is the intention of

the Department, through the survey, to check all types of fish in the commercial fishing lakes.

In addition, a survey should be undertaken by experienced fishery officers to ascertain the need for building and repairing dams and installation of modern fish ladders or fishways. It is definitely known that two Barr fishways are needed at Prince Albert and Saskatoon. They cost approximately \$3,000 for each installation.

One of the big items in the further development of the fisheries industry in this province will be improvement of transportation facilities, particularly roads into the north country. Proposals regarding these roads are discussed in detail in the "Communications" section of the Report.

A summary of the total estimated costs of carrying out the proposed fisheries programme follows:

Fisheries Development

Project	Cost
1. Two fish hatcheries at Makwa Lake and Lac la Ronge.....	\$ 80,000
2. Field laboratory for biological survey.....	2,000
3. Installation of Barr Fishways at Prince Albert and Saskatoon.....	6,000
	88,000
Annual Operating Costs.....	32,500

The Council recommends that the above outlined programme be inaugurated at the earliest possible moment, and that the province co-operate fully with the fisheries' research station to improve and maintain the quality of fish products.

Fur and Game

Production of fur in Saskatchewan, both on fur farms and in the forest areas to the north is an expanding industry. During the 1942-43 season pelts to the value of

\$1,631,574.95 were marketed from wild fur production, and pelts and live animals valued at \$825,999.50 were raised on licensed fur farms.

Protection of wild life was taken into consideration in forestry conservation, with \$203,530 of the \$6,600,000 programme to be spent directly on dams and other water conservation projects in the forest reserves for this purpose. Details of the plan are contained in the following table:

Fur and Game Development Projects

Description	Total Cost	Unit Working Days	Man Days	Tractor Days	Team Days
Porcupine Forest Reserve—					
200 Beaver Dams:					
Construction	\$ 13,800	600	3,000	.....	600
Survey	2,000	200	400	.....	.....
Pasquia Forest Reserve—					
200 Beaver Dams.....	13,800	600	3,000	.....	600
Survey	2,000	200	400	.....	.....
Amisk Provincial Forest—					
Beaver Lake Dam.....	10,000	30	1,200	.....	180
20 Beaver Dams.....	1,380	60	300	.....	60
Emmeline Swan Lake Game and Fur Reserve—					
12 Men for 4 Years with Equipment, etc.	71,775	.....	14,400	.....	2,400
Clarke Beupre Lakes Game and Fur Preserve—					
12 Men for 4 Years with Equipment	71,775	.....	14,400	.....	2,400
Meadow Lake and West Big River—					
4 Water Conservation Dams.....	6,000	72	432	28	.....
Primrose and Cold Lake Area—					
5 Water Conservation Dams.....	9,000	90	900	180	.....
Moose Mountain Game Preserve—					
10 Dams	2,000	100	500	100	.....
Totals	\$203,530	1,952	38,932	308	6,240

With the decline of wild fur supplies throughout the world, and particularly in Saskatchewan, owing to the advance of settlement during the past 20 or 30 years, coupled with a growing demand on world markets for first quality furs, the fur farming industry has promising possibilities for the re-establishment of many returning ex-servicemen.

Furs, produced on the 619 Saskatchewan fur farms now operating, are of excellent quality. Continued selection and retention of the better animals for propagation places the province's fur farms well above the average. With a reasonable amount of instruction and education, a small investment will give a man an excellent opportunity to re-establish himself in a useful occupation.

In the training schemes for returned men, every provision should be made to give them firsthand instruction and education in the care and management of various types of fur-bearing animals commonly raised on fur farms. This could be done by arranging for men to work on some of the better fur farms in the province where they would receive instruction for a period of one year. The Game Branch of the Department of Natural Resources suggests that if there are not sufficient numbers of such farms the government should consider operating fur farms on a large enough scale that men might be taken in and given this year's instruction. Assistance might then be given them in the form of long-term loans through or on a similar

basis to the Veterans' Land Act, to start their own fur farms.

It would appear to the Council that this plan is worthy of favourable consideration, and that men taking instruction in fur farming should be given the same grants or living allowances for themselves and families, as when taking other vocational courses. Regarding this the Game Branch states:

"Fur farmers no doubt would require some compensation for instruction and board given to these men. The individual would require to have sufficient money during the period of instruction to maintain himself and his dependents. The applicant should have at least a full season on a fur farm in order to qualify himself fully and understand the mating, gestation periods, the handling of the kits until they are fully developed, and the feeding required to prime the pelts of the animals as well as the taking off of the pelts and their marketing. In order to give full instructions it would require a period from December 1st to November 30th at least in any one year. A great many failures have been made by fur farmers through not understanding every procedure in handling so valuable a fur crop."

Provision should also be made for veterinary training, as well as instruction in grading, culling and processing.

At the present time mink and fox are the two main fur-bearing animals produced

on fur farms, but it is suggested in the Department of Natural Resources brief, that there is no good reason why other fur-bearing animals such as the racoon, nutria, marten, fisher and others could not be successfully and profitably raised, provided the proper instruction could be given on the management and care of these animals.

A conservative estimate of cost to establish a government fox farm, including supervision, is set at \$41,950 by the Department. The capital cost would be \$36,950 and the yearly operational costs would be approximately \$5,000. To establish a mink ranch in conjunction with the fox ranch would require an additional capital expenditure of \$11,000.

The Council recommends that the conservation programme for the protection of wild game and fur-bearing animals be implemented as soon as possible, and that government fur farms be started immediately to be in readiness as training schools for prospective fur farmers as soon as demobilization starts.

Parks

Nine areas, chiefly in the eastern section of the province, have been set aside as provincial park reserves. They are located as follows:

	Acres
Cypress Hills	10,880
Duck Mountain	51,840
Good Spirit Lake	3,840
Greenwater Lake	22,240
Katepwa	16.6
Little Manitou	238
Lac la Ronge	729,600
Moose Mountain	98,560
Nipawin	161,280
Total	1,078,494.6

At Cypress Hills, Duck Mountain, Little Manitou and Moose Mountain chalets and cabins have been constructed, as well as accommodation for tourist camps. Provision for camping facilities only is provided at Good Spirit Lake, Greenwater Lake and Katepwa. Nipawin Park is accessible by car, but no improvements have been made and it is regarded largely as a forest reserve by the Provincial Park officials at the present time. The Lac la Ronge area is inaccessible by road, although there is a road under construction leading up to it. Very little survey work has been done on the park area as yet.

Each park is built around a lake, providing facilities for fishing, boating and swimming. The parks provide splendid sanctuaries for game, which is steadily increasing in Cypress Hills and Moose Mountain Parks. Duck Mountain, Greenwater Lake, Good Spirit Lake and Moose Mountain are well stocked with fish. Moose Mountain, Little Manitou, Cypress Hills and Katepwa Parks all have golf courses.

In addition, there is also the Prince Albert National Park, situated in the wooded area on the northern fringe of settlement. There are hotels, cabins and camping grounds for the accommodation of tourists, and many summer homes have been built. There are facilities also for swimming, boating, fishing, golfing and other recreation.

The Department of Natural Resources has drawn up extensive improvement plans for the post-war period varying in length from five years to six months. Improvements are proposed in all the parks with the exception of Nipawin. The following is a summary of the proposed plans.

Park	No. of Men	Period	Labour	Materials, Equip., etc.	Total
Cypress Hills	30	5 years	\$225,000	\$ 55,000	\$ 280,000
Greenwater Lake	10	5 years	75,000	18,000	93,000
Lac la Ronge	20	5 years	150,000	36,000	186,000
Duck Mountain	30	5 years	225,000	75,000	300,000
Good Spirit Lake	10	6 months	7,500	4,500	12,000
Moose Mountain	20	5 years	150,000	60,000	210,000
Little Manitou	15	1 year	25,000	12,000	37,000
Katepwa	5	6 months	3,750	5,250	9,000
	140		\$861,250	\$265,750	\$1,127,000

A good many proposals were presented to the Council concerning development of parks, including local resorts and municipal parks. The City of North Battleford asked that the Jackfish and Murray Lakes area be made a national park; Saskatoon City Council Reconstruction Committee would like Pike Lake developed as a summer resort, while the Swift Current Post-War

Rehabilitation Committee and Rural Municipality of Lac Pelletier, No. 107 want Lac Pelletier developed by road construction, beach clearance and afforestation.

The Eastend Agricultural Society suggested the further development of parks and camping grounds in the Cypress Hills. This suggestion is already included in the

Department of Natural Resources parks programme. Further improvement of Prince Albert National Park was urged by the Prince Albert Rehabilitation Committee, beginning with the construction of hard-surfaced highways inside the park. This would lead to an improvement of all recreational facilities. The Committee also asked that the Lac la Ronge area be opened up as a recreation park under P.F.R.A.

With regard to purely local parks, the North Battleford Board of Trade and the Battleford Rehabilitation Committee are interested in the development of the island in the North Saskatchewan between the Battlefords; the City of Regina plans further improvement of the Wascana Valley, including swimming pool, athletic grounds and golf course, which can be assisted by a dam on Manybones Creek, according to the Wascana Project brief. Weyburn has begun work on a memorial park and plans to continue. The Cities of Prince Albert and Yorkton, and the Towns of Melfort and Sutherland plan local park developments totalling \$30,500.

In the opinion of the Council, municipalities should be encouraged to develop local parks wherever possible and given long-term, low-cost loans to aid in development programmes where necessary. The importance of fine parks for recreational purposes cannot be over-emphasized as they will contribute greatly to the physical fitness and satisfaction of the people.

The Council also recommends that the Department of Natural Resources programme for the development of provincial parks be started as soon as the necessary labour and materials are available. Returning service-men could be given preference on such work, because, as in the case of forestry work, employment in the open-air promotes physical and mental rehabilitation.

A suggestion with merit is that made by Mr. Oswald B. Fysh, of Moose Jaw, that some of the dormitory buildings from army and air force camps be dismantled and re-erected at lakes, to be used as summer camps for children. He proposes that the government bear the cost of establishing the physical facilities of the camps but that they be administered by a special committee of representatives from service clubs, church organizations, the Y.M.C.A. and the Y.W.C.A.

Conclusion

The Council has not attempted to outline any long-term programme for the development of the Province's natural resources.

It is more in the nature of an exploratory programme to discover what resources are available for use, and long-term development plans based on experience, will have to be determined in the future. However, the Council maintains that governments of the future must guard our natural resources carefully and follow a plan of conservation so that the resources will be used for the benefit of the people and not ruthlessly exploited or squandered within a generation of their discovery, as has been the case too often in the past.

RECOMMENDATIONS

1. That the base-line surveys be completed at once as a basis for topographical mapping.

2. That the Dominion service complete topographic mapping over a 15 year period so that accurate knowledge of our natural resources be available.

3. That the geological survey work of the Geological Survey of Canada be accelerated as outlined in the text of the Report.

4. That an oil specialist, and other qualified geological engineers be added to the Mines Branch of the Department of Natural Resources to appraise the mineral resources of Saskatchewan, as they are revealed by mapping work.

5. That the Government stress a programme of forest conservation by

- (a) prohibiting fire as a clearing agent;
- (b) paying grants for the clearance of land;
- (c) giving forestry training at the University;
- (d) establishing a new forest reserve in the north-west section of the province.

6. That the Government inaugurate a programme to aid the expansion of the fish and fur industries in Saskatchewan as outlined in the text of the Report.

7. That the Department of Natural Resources' programme for development of provincial parks be carried out as soon as men and material are available.

8. That municipalities be encouraged to develop local parks.

9. That in general, research and conservation be stressed by the Department of Natural Resources.

PART VII.

COMMUNICATIONS

Highways

The importance in modern society of an adequate and efficient system of communications cannot be over-estimated. The people in a province like Saskatchewan are dependent upon such a system for their livelihood because they must rely on roads to carry their produce to rail-head and on rail and steamship communications to take it to the markets of the world. Similarly the products they need are brought to them. Where roads are too poor to bear the traffic at all seasons of the year, or where, in some of the newer settlement areas, there are no roads at all, the people labour under additional handicaps and their standard of living is materially lowered.

At Council hearings where pleas for schools, houses, social services, hospitals, price subsidies, or other government aid might have been expected, the people asked mainly for roads. With true pioneer spirit they stoutly maintained that if they were given good roads so they could bring their produce to market without the great waste of time and money now entailed by the lack of all-weather roads, they could take care of many of these other items themselves without any outside governmental aid. In all, 102 separate organizations, mostly rural municipalities, towns and villages, made representations to the Council for improvement in highway facilities. The majority of these specified some greater or lesser stretch of highway they were particularly anxious to see built or improved to serve their particular territory.

According to the Department of Highways and Transportation there are 8,390.2 miles of provincial highway in the province to be improved or built in the post-war period, if the highway system of Saskatchewan is to equal the standards set by other parts of the Dominion. Of the present 8,009 miles of provincial highway only 23.4 miles have been constructed to standard hard surface requirements. To date approximately 627 miles have not been graded to a standard above that of an ordinary municipal road. A large portion of the mileage constructed between 1920 and 1935 must be reconstructed to meet the requirements of present day traffic.

The Department has submitted to the Council a comprehensive outline of a minimum programme to bring Saskatchewan's main highways up to standard, and provide certain colonization roads into the north country to aid in the development of natural resources there.

The plan for future improvement of the provincial highway system has been divided into six main parts as follows:

(a) Highways of National and International Importance

These are to be completely paved, and it is contended that the greater part of the cost of \$33,255,000 must be borne by the Federal Government.

	Miles
1. No. 1 Highway across Saskatchewan (Project No. 1)	422.5
2. Highway from North Portal through Regina, Moose Jaw, Saskatoon, Prince Albert to the Prince Albert National Park (Project No. 2)	452.7
3. East-West highway across the northern part of the province, Roblin, Yorkton, Saskatoon, Battleford, Lloydminster (Project No. 3)	455.0
Total	1,330.2

(b) Secondary System of Paved Highways

(See broken lines on map)

This part of the highways programme may have to be borne mainly by the province, and will cost \$23,775,000 in all.

	Miles
1. No. 4 from the International boundary to Meadow Lake	404.3
2. No. 2 from the International boundary to Moose Jaw	122.7
3. No. 6 from the International boundary to Melfort	251.0
4. No. 9 from Whitewood to Yorkton	73.0
5. No. 3 from Tisdale to Red Deer Hill	100.0
Total	951.0

(c) Remaining Provincial Highway System

There remain 5,704 miles of highway to be constructed and maintained on a substantially lower standard than highways in the primary and secondary categories. A wider right-of-way is necessary in order to eliminate dangerous side ditches and provide necessary material for embankments. The Department estimates that a total of 5,584 miles of highway will require improvement at a cost of approximately \$5,000 per mile, or a total of \$27,920,000 divided as follows:

	Miles
1. Sub-grade construction	5,584
2. Gravel replacement	2,837
3. New gravel surfacing	2,747

(d) Bridges

The only bridge actually planned by the Department to replace present ferry service is a traffic bridge over the South Saskatchewan River on No. 4 highway, approximately 32 miles north-west of Swift Current. The site for this proposed bridge has been surveyed and a tentative design prepared. The estimated cost of bridge and approach grades is \$350,000. (Project No. 7).

In addition 10 other bridges were requested at public hearings or in briefs presented to the Council. The Battlefords want a high level bridge to join the two communities, claiming it would reduce the distance from four to two miles. Prince Albert made strong representations to have a bridge constructed across the South Saskatchewan River at Weldon Ferry, which, they state, will give a shorter and more direct route into Prince Albert than the Fenton Ferry now bearing most of the traffic. The City of Regina plans to build a concrete bridge across Wascana Creek on Elphinstone to replace the present wood

structure. The Council recommends that each of the requests for bridge construction listed in Appendix 2, be thoroughly investigated and where it is found that the building of a bridge will aid in the improvement of the highway communication system, plans be made for its construction.

(e) Northern Development Roads

The Department has proposed a \$2,286,500 road building programme into present undeveloped areas for the purpose of assisting in the development of natural resources, described as follows:

1. Completion of road from Prince Albert to Lac la Ronge (Project No. 4)	\$323,500
2. Construction of road from Nipawin to Flin Flon; length 149 miles (Project No. 5)	968,500
3. Construction of road from Big River to Ile a la Crosse; length 153 miles (Project No. 6)	994,500
Total	\$2,286,500

Regarding the first project listed, it is stated that there is already a road from Prince Albert to Waskesiu and the distance from Waskesiu to Lac la Ronge is 106 miles. The work to be completed consists of grading 44 miles and gravelling 59 miles of road.

(f) Grade Separation Projects

In addition the Department has compiled a list of grade separation projects considered necessary, and these have been forwarded to the Board of Transport Commissioners for Canada to be included in a programme of work to be paid for in part by the Board out of the grade separation fund.

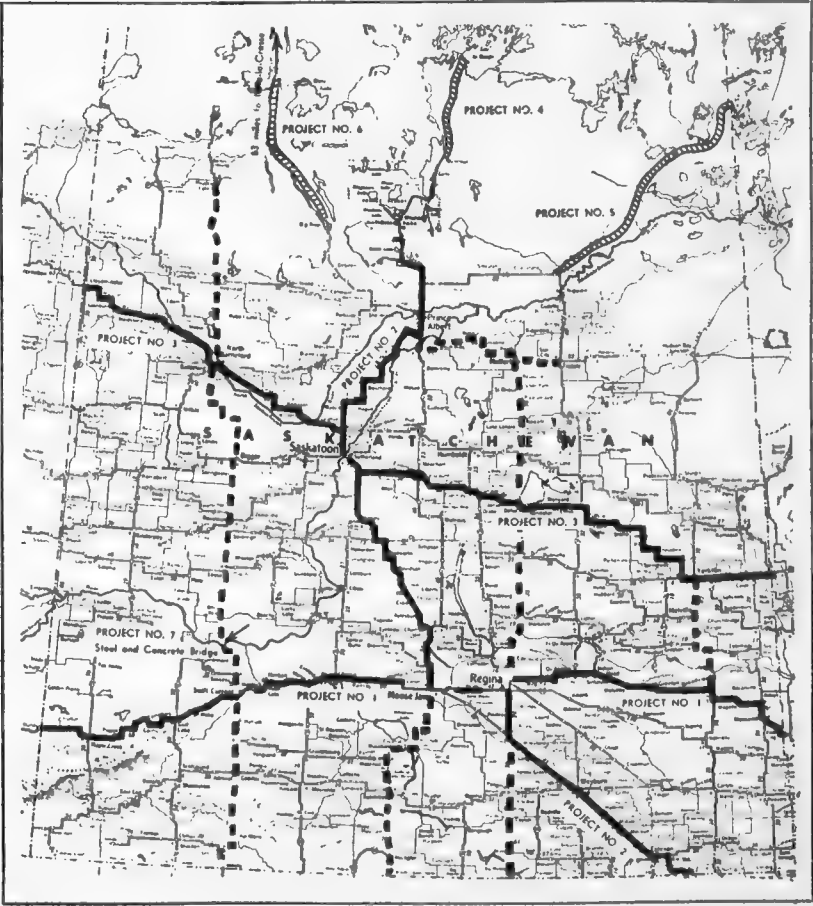
1. Overhead at Belle Plaine, No. 1 and the C.P.R.	\$ 63,500
2. Subway at Secretan, No. 1 and the C.P.R.	30,000
3. Subway at Antelope, No. 1 and the C.P.R.	30,000
4. Overhead at Watrous, No. 2 and the C.P.R.	30,000
5. Overhead at Lang, No. 39 and the C.P.R.	30,000
6. Widening of Subway at Verwood, No. 13 and the C.P.R.	10,000
7. Overhead at Nipawin, No. 35 and the C.P.R.	25,000
Total	\$218,500

The proposed roads described in the foregoing sections of the Report are all shown on the accompanying map.

The total \$87,805,000 programme outlined by the Department of Highways and Transportation is summarized as follows:

Summary of Costs

(a) Paving Primary System of Highways.....	\$33,255,000
(b) Paving Secondary Highways.....	23,775,000
(c) Remainder of Provincial Roads.....	27,920,000
(d) Bridge North of Swift Current.....	350,000
(e) Developmental Roads	2,286,500
(f) Highway and Railway Grade Crossings.....	218,500
	<hr/>
	\$87,805,000



The Council recommends most strongly that this highway construction programme be commenced as soon as labour and materials are available, as one of the first post-war construction projects. However, realizing the great importance of good roads in the life of the people of a province with scattered population like Saskatchewan, the Council emphasizes that this programme should be regarded only as a minimum of necessary highway construction. The Department of Highways and Transportation should be instructed to investigate most carefully every request for improved road facilities made to the Council, and satisfy the needs of the people of these communities as soon as possible.

In addition to the provincial highway system there is the main market road system, comprising 25,000 miles, on which grants-in-aid are made to the rural municipalities affected. If these roads are to be improved to make efficient outlets for our primary products and be serviceable for present day truck traffic, it will be necessary to increase the grants to the municipalities.

On this system of main market roads, there are approximately 2,600 untreated timber bridges. One thousand of these are over 20 years old and consequently unsafe for heavy traffic. It is estimated that it would cost approximately \$1,500,000 to replace them and improve the alignment of the approaches.

It will also be necessary to extend special colonization and development roads into the northern part of the province, in addition to the development roads outlined for immediate construction. The amount of this type of road to be constructed will depend on employment conditions, and can be extended or curtailed as required. The estimated cost, including untreated

gravel surfacing, is approximately \$5,000 per mile.

Maintenance

Besides the post-war need for construction of roads within the province there must be restoration of existing roads and maintenance of existing and newly-constructed mileage. Road maintenance has of necessity been neglected in Saskatchewan for years, during the war because of man-power and material shortages and during the 1930's because of the need for government economy. Moreover, Saskatchewan roads have not been constructed to standards to last any length of time without constant attention. Roads constructed according to standards proposed by the Department of Highways will modify the maintenance problem.

It is commonly suggested that problems of highway maintenance are chiefly attributable to wear and tear caused by commercial vehicles, trucks, buses and vans. It is further suggested that such vehicles are in effect subsidized by the community in that their owners are not taxed enough to pay for maintenance of roads they travel. For example, the Rowell-Sirois Commission observed (Report, Book II, p. 218):

"Today it is probable that no province is taxing motor carriers, or private trucks, the full share of the cost of their operations to the province."

This is debatable. Studies conducted in the United States⁽¹⁾ suggest that operators of motor vehicles contribute their fair share and more of highway costs. In a memorandum to the Minister of his Department under date of December 31, 1940, Mr. H. R. MacKenzie, Deputy Minister of Highways and Transportation, set forth the following data for Saskatchewan:

Fiscal Year	Approximate Revenue From Motor Vehicles	Approximate Expenditure on Maintenance of Roads & Bridges, & Interest on Bonded Debt, etc.
1937-38	\$3,606,000	\$2,702,000
1938-39	3,675,000	2,712,000
1939-40	5,182,000	2,837,000

Mr. MacKenzie added:

"It would appear from the above statement of revenues and expenditures that the operators of motor vehicles in this province are contributing their fair share of taxes even though no consideration has been given to the funds expended on Maintenance Account by rural municipalities on municipal roads. I think it is safe to assume that approximately eighty per cent. of public carrier highway operations are limited to provincial highways."

Railways

In Saskatchewan no matter how efficient a highway system, the need for rail transportation is in no way lessened. Railroads can mean the difference between a good standard of living and a submarginal

(1) See abstracts from Joseph B. Eastman's Public Aids to Transportation in "Highway Users Pay Their Way and More" National Highway Users Conference (Washington, June 1940).

standard because speed in getting many of our primary products, such as livestock and perishables, from farm to market is all-important.

A careful scrutiny of any railroad-map of Saskatchewan indicates that there are many small gaps in the network of railroads covering the settled portion of the Province and some of these work great hardship on the people of the district. Closing of all such gaps would not be very

costly, but would mean in many instances the difference between a reasonable standard of living and poverty for the people. It would afford accessibility to doctor and hospital which is often a matter of life or death.

The following is a listing of the extensions requested in briefs or presentations to the Council by various groups and organizations in their respective territories:

Canadian National Railways	Approximate Distance
1. From Willow Bunch to Pickthall.....	18 miles
2. Continuation of Medstead-Speers line to Borden, Radisson or Fielding	12-25 "
3. Arborfield railway line to connect up with Carrot River and Pas line	75 "
4. Main Centre south to C.N.R. line leading to Swift Current.....	15 "
5. From White Bear to Swift Current.....	45 "
6. Northern extension of Prince Albert-Paddockwood line to serve lumber industry in Candle Lake district.....	20-30 "
7. Kelvington, through Rose Valley, St. Front, and Naicam to St. Brieux	75 "
	260-283 miles
Canadian Pacific Railways	
1. Verlo to Golden Prairie or Fox Valley.....	45 miles
2. Stewart Valley to Matador.....	15 "
3. Simmie to Shaunavon.....	30 "
4. Val Marie to Mankota.....	37 "
5. Nipawin to Gronlid.....	17 "
6. Gronlid or Carrot River to Le Pas (1).....	150 "
7. Killdeer to Ophelm, Montana.....	20 "
8. East Poplar to Scobey, Montana.....	20 "
	334 miles

(1) If this extension were made from Carrot River it would presumably be done by the C.N.R. (approximately 100 miles).

The Council is not in a position to appraise fully the need for these branch line extensions, but recommends that they be thoroughly investigated, and where it is found that the lack of railway facilities is working a hardship on the people of a district that representation be made to the proper authorities. It would seem preferable to the Council to provide facilities enabling them to market their produce and become fully self-supporting rather than subsidize them with grants, relief, or social services, made necessary by their inability to transport their goods to market cheaply.

As one instance, sufficient evidence was presented to the Council regarding the Val Marie-Mankota gap to indicate that this should definitely be one of the first projects undertaken by the railroad in the post-war reconstruction period, and the Council would like to add its voice to that of the citizens of this district in requesting the C.P.R. to close this gap.

This extension was approved at one time by the C.P.R. but because of controversy as to the exact location of the line, the appropriation of money was used elsewhere. It was pointed out by Mr. George Spence, director of P.F.R.A., that the need for the closing of the gap has increased since the development of irrigation in the Val Marie district. This 8,000 acre project is based on a livestock economy and cannot be fully developed without more direct marketing facilities.

At the present time a carload of livestock must be shipped via Consul and Shaunavon. This round-about route causes delay, with consequent shrinkage and loss to the shipper. The alternative of shipping livestock out by truck is altogether too expensive.

The tabulations given do not include one of the most urgently needed railway extensions in the Province because detailed

information as to mileage and possible location is not available. In the area west of Meadow Lake and north of St. Walburg settlement extends north to the Waterhen River. Residents of this district, 50 or more miles from railway, operate under a handicap that makes success almost impossible.

An extension of Canadian National Railways from Bonneyville, Alberta, to St. Walburg (approximately 100 miles in Saskatchewan), as originally planned by the railway company would materially improve the situation, but more detailed information is required before advancing definite proposals regarding the necessity of other extensions to serve this area. Given railway service, production in this section of the province would be greatly increased.

In addition to these line extensions, the City of Saskatoon has pointed out that a grade separation within the city, where both the C.N.R. and the C.P.R. intersect a fairly busy thoroughfare, is desirable.

The City of Regina is anxious to reduce the number of lines leading into the city, thereby eliminating several level crossings over busy streets. For the same reason the City of Yorkton has urged the establishment of a union depot which would eliminate a level crossing over the main street, where fatal accidents have occurred.

Other centres requesting union stations are North Battleford and Melfort. Prince Albert is anxious to have railway terminal facilities, already begun by the C.N.R., completed.

One of the great mysteries, to the producers of Western Canada at any rate, to which the present war has given birth is the non-utilization for many years of Port Churchill and the Hudson Bay shipping and rail facilities for overseas shipment of wheat and other grains, livestock, timber and other resources of the west and north.

Prior to the outbreak of war some progress was being made in securing traffic for the Hudson Bay route, but immediately upon the declaration of war all shipping was taken over by the British Shipping Board, and this Board cancelled all charters already set for Churchill, and made it impossible to arrange any further shipments during the war.

Certain confidential information has come to the attention of the Council which indicates that Eastern shipping interests, and the rival railroads may be none too anxious to develop this Port, and it is sincerely hoped that with the conclusion of hostilities a thorough investigation will be made into the situation and the details made public.

It has been proven, with a fair degree of definiteness, that the Hudson Bay route is little, if any, more hazardous than older and longer shipping routes from Atlantic ports. Savings to farmers by using this route for grain is as much as five to seven cents on a bushel of wheat, and there are corresponding savings on livestock shipments and other grains.

It is believed by experts that the shipping season can be lengthened from its present 10 week period to possibly 11 months by the use of ice breakers in the Port.

The Council strongly recommends that the present facilities at Port Churchill be enlarged and railway programmes developed to enable Saskatchewan producers to make greater use of this shorter rail and water haul to world markets. Navigation facilities of the Port should be thoroughly investigated and improved where found necessary.

It is also felt that there is no good reason for insurance rates on goods shipped via the Hudson Bay route being so greatly in excess of those obtaining for the voyage through Montreal. Regarding this it might be well to quote the following extract from the "Fifth Report on Hudson Bay Marine Insurance Rate, 1934," submitted to the Right Honourable J. Ramsay MacDonald, by R. C. Bryant, Secretary of the Imperial Shipping Committee.

"In our opinion, the evidence, which has now been accumulated by us and which has been published in our reports, tends strongly in the direction of the view that during the open season of navigation for a well-found vessel the risk of casualty is little, if any, greater on the Hudson Bay route than on the voyage to Montreal by way of the St. Lawrence. The difficulties of shoal, rock and bending channels, which occur on the St. Lawrence, have no parallel in Hudson Strait; there are fog and icebergs on both routes. The magnetic difficulties on the Hudson Bay route are non-existent for a ship equipped with a gyro compass and, in any case, are largely mitigated by direction-finding. It would, therefore, be difficult to appreciate the reasons for the disparity between the rates for the suspension of warranty in respect of Churchill and Montreal, if these rates are intended only to reflect the difference in the risks involved. We recognise, however, that Underwriters conduct their business on the basis of recorded results and it must be admitted that, as long as the route is used by comparatively few vessels, a total loss may more than account for the whole profit of a season."

Aviation

It is anticipated that air transit will be one of the greatest post-war developments, both as a means of passenger travel and mail and freight transportation, particularly into and out of the north country. Qualified pilots and "bush flyers" will be needed in some numbers for the extensive programme of topographic mapping outlined in the "Natural Resources" section, as well as increased fire patrollers for the protection of our forests. Freightling fish and minerals out of the north country by air as well as freightling supplies in will undoubtedly expand and should be encouraged.

However, if this expansion is to take place as it should, early attention must be given to the establishment of air fields in the larger centres, and landing strips in many smaller communities from which feeder lines may operate. Mr. C. R. Patterson, President of the Aeronautical Institute of Canada, in a presentation to the Council emphasized the importance of all communities on air line routes maintaining at least a grassed landing strip, even if they did not have proper air fields. These strips could be used as emergency landing fields, thus ensuring greater safety for planes, pilots and passengers, and for extending air mail and passenger service. It is contended that the cost of maintaining such strips would be very low once they were grassed.

The M. and C. Aviation Company requested that the Provincial Government make a survey of all lakes in the northern part of the province and make them safe for landing with pontooned aircraft. Mr. R. Mayson, appearing for this Company, stated that for a number of years aircraft operating in the north have had to assume all the risks of landing on strange waters and take chances of striking submerged rocks, which, if the lakes were surveyed could be flagged and marked to prevent accidents and possible loss of life. This appears to the Council a very worthwhile and necessary undertaking, and should be proceeded with as soon as possible.

Telephones

The telephone is not a luxury item in the lives of rural residents but actually a necessity because it provides a means of getting assistance in times of emergency, and a means of communication to help bridge the great distances and mitigate the loneliness of sparse settlement in Saskatchewan.

In 1942 there were 1,135 rural telephone companies in this province, but unfortunately during the depression and war years many of them have not kept their lines in good repair owing to the difficulty of ob-

taining materials. It is anticipated by the Department of Telephones that the early post-war years will see these companies making necessary short extensions to serve applicants whom they were unable to serve during the war period when materials have been so difficult to obtain.

The Department plans a considerable amount of reconstruction and renewal, but declares that the extension of the system will depend upon service requirements following the war. It estimates that an amount of \$1,000,000 will be needed for a five year programme for the Department, and that rural telephone companies will spend up to \$5,000,000 on a similar programme.

Several representations were made to the Council asking for extensions of telephone service and consolidation of some of the smaller telephone systems. The Council is not in a position to appraise these individual requests but recommends that the Department take them into consideration when making plans for extension of service, and where it is found practical and feasible that the extensions of service should be made. The Council also concurs in the Department's plans for post-war reconstruction and renewal of telephone lines.

RECOMMENDATIONS

Highways

1. That the highway construction programme of the Department of Highways and Transportation be implemented as soon as materials and labour become available.
2. That this programme be regarded as a minimum only of necessary highway construction for the province.
3. That the Department of Highways and Transportation be instructed to investigate every request for improved road facilities made to the Council, and satisfy the needs of people in the communities concerned as soon as possible.
4. That grants-in-aid to rural municipalities be increased to improve the system of main market roads thus providing efficient and serviceable outlets for primary products by modern methods of truck transportation.
5. That special colonization and development roads be extended into the northern part of the province as employment conditions permit or require.

Railways and Harbours

6. That the Canadian Pacific Railway complete its line from Val Marie to Mankota as one of the projects most urgently needed in the post-war reconstruction period.

7. That other railway extensions requested in briefs presented to the Council, be thoroughly investigated with a view to providing railway facilities where the lack of such facilities works a hardship upon the people of the district.
8. That more information be obtained concerning the railway needs of the settlement west of Meadow Lake and north of St. Walburg so that extensions may be made to meet these needs.
9. That the navigation facilities at Port Churchill be thoroughly investigated and enlarged and improved where necessary.

Aviation

10. That lakes in the northern part of the province be surveyed so that submerged rocks and other obstructions may be clearly indicated to pilots.

Telephones

11. That the Department of Telephones consider the requests made to the Council for extension of telephone service when making plans for providing new services in the post-war years. The Council concurs in the plans of the Department of Telephones for the reconstruction and renewal of telephone lines.

PART VIII.

DEVELOPMENT OF INDUSTRIES

DESIRABILITY

If Saskatchewan is to achieve a well-balanced and stable economy there is an urgent necessity for the diversification of her industries. This problem must be approached from a national viewpoint, because there cannot be national prosperity and well-being while one very large geographical section, and 7.79 per cent. of the population (1941 census figures) are subject to wide fluctuation of income, and economic instability.

It is not the desire of this province to become a self-contained unit within Confederation, or what might be termed "industrially independent" of Eastern Canada. However, it is felt that the development of secondary industries processing the products or by-products of primary industries would in a very large measure stabilize our economy and help mitigate the violent fluctuations in income so prevalent in the past. It is further contended that such stabilization of Saskatchewan's economy would aid Canadian industry generally by providing a stable market in this province for their products.

Saskatchewan has always had what is often referred to as a "one commodity" economy, depending almost entirely upon wheat production for the livelihood of its people. In 1920, Saskatchewan had the highest income of its history, \$402,872,000 (Dominion Bureau of Statistics). In 1933 the joint disaster of world economic depression and drought caused Saskatchewan's income to fall to a mere \$169,601,000.

In the 24 year period, 1920 to 1943 inclusive, wheat production alone accounted for 69.85 per cent. of the cash income from the sale of farm products. For the period 1925 to 1939 the agricultural industry accounted for 81.27 per cent. of the total net value of production.

The complete lack of balance in Saskatchewan's economy can well be illustrated by the following table which sets out for the year 1941 (the last year for which complete statistics are available), the net value of production for each province of Canada from primary and secondary industries and the proportion they bear to the total, from which it will be seen that Saskatchewan has the most unbalanced economy of any province.

Province	1941	Total Net Value Primary Industries	Per Cent. of Total Industries	Total Net Value Secondary Industries	Per Cent. of Total Industries	Total Net Value of All Industries
P. E. I.	\$	10,406,338	78.8	\$ 2,794,438	21.2	\$ 13,200,776
N. S.		76,952,072	56.2	59,903,869	43.8	136,855,941
N. B.		65,455,463	63.0	38,512,647	37.0	103,968,110
Que.		512,547,221	40.1	766,806,482	59.9	1,279,353,703
Ont.		688,517,710	33.0	1,399,440,731	67.0	2,087,958,441
Man.		117,496,798	57.2	87,851,763	42.8	205,348,561
Sask.		189,022,202	82.8	39,295,835	17.2	228,318,037
Alta.		212,943,888	76.9	63,954,289	23.1	276,898,177
B. C.		238,997,487	62.9	140,927,518	37.1	379,925,005
Yukon and N.W.T.		8,063,696	97.8	182,586	2.2	8,246,282
DOMINION	\$2,120,402,875	44.92	\$2,599,670,158	55.08	\$4,720,073,033	

From the point of view of industrial development, Saskatchewan is in a poorer position than any other province in the Dominion of Canada. In 1939, with 8.39 per cent. of the population, she had only

1.81 per cent. of Canadian industrial production.

Her position in this respect is shown very clearly in the following table:

Province	Net Value of Production of Secondary Industries, 1939*	Per Cent. of Canadian Production	Per Cent. of Population (1939)
Canada	\$1,811,410,625	100.00	100.00
P. E. I.	2,699,222	.15	.84
N. S.	48,504,872	2.68	4.90
N. B.	37,576,435	2.07	3.99
Que.	556,537,060	30.72	28.37
Ont.	898,074,316	49.58	33.16
Man.	61,971,696	3.42	6.42
Sask.	32,743,768	1.81	8.39
Alta.	47,057,041	2.60	6.97
B.C., Yukon and N.W.T.	126,246,215	6.97	6.96

* Includes industries that may be regarded as manufacturing or extractive.

During the first two years of war, the difference between Eastern Canada and Saskatchewan in the industrial development field was further accentuated. Net value figures for manufacturing during this two year period indicate the following increases.

Note: The Canada Year Book classifies Agriculture, Forestry, Fisheries, Trapping, Mining and Electric Power as Primary Industries, and Construction, Custom and Repair, and Manufactures, as Secondary Industries and tables in this Part are based accordingly.

NET VALUE OF PRODUCTION Manufacturing*			
Province	1939	1941	Per Cent. Inc.
P. E. I.	\$ 1,243,979	\$ 1,348,000	8.36
N. S.	35,885,563	51,318,000	43.00
N. B.	27,041,195	47,297,000	74.91
Que.	470,385,279	815,087,000	73.28
Ont.	791,428,569	1,360,056,000	71.85
Man.	48,810,544	74,451,000	52.53
Sask.	20,283,273	28,172,000	38.89
Alta.	32,618,153	45,958,000	40.90
B.C., Yukon and N.W.T.	103,355,346	181,433,000	75.54

* Includes industries that may be regarded as manufacturing or extractive.

With 57 per cent. of Saskatchewan's gainfully occupied population directly employed in agriculture, according to 1941 census figures, the fluctuations in agricultural production over a period of years assume great importance in any assessment

of stabilizing factors in our economy. The following table showing the percentage each province had of the net agricultural production of Canada for the years 1926, 1931, 1936, 1937, 1938, 1939, 1940 and 1941, clearly illustrates this point.

NET VALUE OF AGRICULTURAL PRODUCTION OF CANADA BY YEARS AND PROVINCES (1)

Year	P.E.I. %	N.S. %	N.B. %	Que. %	Ont. %	Man. %	Sask. %	Alta. %	B.C. & Yukon %	%	Canada
1926	1.64	2.77	2.40	15.24	27.53	8.75	23.07	16.01	2.59	100.00	\$1,373,344,000
1931	1.61	3.52	3.10	19.82	36.35	5.24	8.23	17.05	5.08	100.00	538,192,000
1936	1.36	2.46	2.32	16.15	33.17	7.40	18.01	14.91	4.22	100.00	679,341,000
1937	.94	2.41	1.84	16.24	33.99	13.73	5.64	20.50	4.71	100.00	678,953,000
1938	1.14	2.64	2.30	17.73	32.26	8.27	13.23	18.16	4.27	100.00	742,020,000
1939	1.04	1.86	2.08	15.26	29.82	7.88	21.63	16.68	3.75	100.00	846,066,000
1940	.99	2.59	2.35	17.14	30.12	8.22	18.85	15.81	3.93	100.00	885,115,000
1941	.91	2.24	2.11	15.90	31.36	8.96	17.65	16.99	3.88	100.00	951,025,000

(1) Canada Year Books.

The days of "Go West Young Man" seem to have reached a stalemate of recent years and while the population of Canada increased from 10,376,786 in 1931 to 11,506,655 in 1941, the population of Saskatchewan decreased from 921,785 in 1931 to 895,992 in 1941 and there is reason to believe, from such indications as ration card distribution, that it is continuing to decline. According to vital statistics, the natural increase for Saskatchewan during the 1932-41 period was 129,728 whereas, the census figures show that there was an actual decrease in population of 25,793. The "natural increase" is arrived at by taking the number of births during a period minus the number of deaths in the same period.

So long as farm life remains harsh and unattractive, so long as the people are dependent upon the whims and vagaries of the weather and world market fluctuations for their livelihood, many of our younger citizens are going to seek more remunerative opportunities in other sections of the country, notably the East. It is felt that a better balance can be achieved in Saskatchewan's economy by the establishment and further development of secondary industries. However, it must be emphasized that it is not intended to displace agriculture as the main industry of the province. We do not feel that this is economically desirable nor practically possible.

It is also recognized that the production of food products for export to world markets will continue to be the primary function of our agricultural industry. Dr. W. H. Cook, Director of the Division of Applied Biology, of the National Research Council, pointed out in a speech at the annual meeting of the Saskatchewan Wheat Pool in Regina, November 5, 1943:

"The food industry, as represented by those engaged in the production, trans-

port and processing of foodstuffs, is larger than all of the other industries in the world put together. In these circumstances it is evidently difficult to divert any appreciable proportion of agricultural production from a food to a non-food use. That tendency is one that removes the product from a need that demands volume, to a need that requires comparatively smaller quantities.

"For example, the yield of wheat this year alone, under reduced acreage, was nearly 300,000,000 bushels, but last year, with more favorable weather, it was about twice this amount. While this variation from year to year is probably exceptional, the normal variations far exceed the quantity of wheat that could be used for industrial purposes."

Dr. Cook further pointed out that it would require only 68,000,000 bushels of wheat annually, (assuming that wheat can compete with alternative materials) for all the industrial alcohol and synthetic rubber required in Canada; whereas the production of pork products for export purposes alone represents a consumption of 67,500,000 bushels of grain.

The question of employment in post-war years is one of the main problems to be faced, and it is necessary to reconstruct the economy of this province in such a way that full employment will be guaranteed to its citizens. We must face the possibility that with demobilization and the cessation of war industries there may be approximately 100,000 Saskatchewan men and women needing employment.

At the end of October, 1943, there were about 72,000 men and women from Saskatchewan enlisted in the armed services according to figures released by the Department of National Defence, and it was estimated by Mr. Walter Dawson, Director of Relief and Supervisor of Farm Labour

Requirements for the province, that approximately 30,000 had left Saskatchewan to take employment in war industries either in British Columbia or Eastern Canada.

There is no way of estimating exactly how many will return to Saskatchewan at the conclusion of war, though it may be assumed, fairly safely, that the majority of those in the armed services will plan to do so.

Mr. Dawson estimated that approximately 25,000 of these young men and women would return to the farms they left and in many instances take over from their aging parents. In addition, several thousands may be placed on new settlement lands either in the north country or on irrigation projects.

He expresses the view that many men from farms cannot be re-absorbed into our present agricultural set-up, and he questions if some of them would wish to return to agricultural life even if given the opportunity. Other employment must be found for these, and it is submitted that the establishment of those industries economically feasible, or the further extension of established industries, may well provide stable employment.

The employment possibilities of new industries will not be great, particularly during the early stages. There is little question but that new industries will have to be started on a small scale, but even small-scale industry will aid in the re-establishment of a number of ex-service personnel both in Saskatchewan and other more highly industrialized provinces by the stabilization of markets.

A carefully planned programme of public works, as outlined elsewhere in this Report, will, to a large measure, take care of the employment problem while industries are being established.

In setting up new industries, however, a further caution must be given regarding employment possibilities. Dr. L. E. Kirk, Dean of the College of Agriculture, University of Saskatchewan, in his report on "Industrial Utilization of Farm Products in Saskatchewan," appended to this Report as Appendix 5 states:

"In this connection (labour requirements) it is well to remember that unless continuous operation can be insured, unemployment cannot be avoided. This fact serves to emphasize one of the most important hazards that may follow industrial development in a region where the opportunities for expansion and diversification will always be rather limited. For the same reason it emphasizes the undesirability of planning industrial development primarily to pro-

vide a market for surplus farm products since continuous employment presupposes a continuous supply of raw materials."

The possibility of recurring drought periods on the prairies similar to that experienced in certain years in the " '30's" when agricultural production was virtually non-existent in some districts, is one that must not be overlooked. However, it is contended that while we cannot control the rainfall, we can, by various methods mitigate the hardships imposed upon the populace. The impact of such disasters can be softened by building up reserves of many kinds, and a greater diversification of industry will broaden the economic base so that the entire province is not so completely dependent upon one source of income. The result will be that our people will not be left helpless and starving when that source fails through natural hazards.

Periodically in the past Saskatchewan farmers have been faced with the problem of surpluses, and with respect to this, Dean Kirk states:

"The problem of 'surpluses' is very pertinent to the present discussion. Huge surpluses of wheat have accumulated in the past, and this invariably has resulted in ruinous prices to the farmer. One of the chief objectives of the United Nations is to make surplus foods available to peoples in other countries where they are sorely needed. If a way is found to implement this ideal, the world will probably be able to use all the food that is likely to be produced. Nevertheless, the future remains obscure and the fear that markets for farm products will not be forthcoming is very real. This is a potent factor behind the urge in Western Canada for the development of industries whereby surpluses may be converted into manufactured goods of saleable value. This contingency must not be overlooked when various enterprises are being considered."

In connection with what might be termed the "surplus" problem, Dean Kirk points out that as Saskatchewan has always been primarily a wheat growing area, nearly all other forms of production have been thought of usually as alternatives to production of wheat. For this reason, it is nearly always a surplus production of our "one" commodity that occurs. When products other than wheat have been in surplus in the past, production of these commodities has been reduced and, in a short time, the surplus is reflected in more wheat. While there have been temporary surpluses of most products, only wheat has shown a persistent surplus situation up to the present time.

However, Dr. Cook serves a warning that there is little immediate possibility of

establishing any large-scale industry on the basis of "surplus" production, pointing out that Saskatchewan can hope to start only industries requiring not more than a few million bushels of wheat annually. They could use low grade wheat, and there would be few, if any, years in which they could not obtain sufficient supplies to stay in business. He continues:

"The outlook for an industry that would use 25,000,000 or more bushels annually for non-food uses seems to be out of the question. It could not get supplies to operate at capacity during certain years. It would require alternative sources of materials when these conditions arose, and it would still not use sufficient wheat to maintain reasonable price level during good crop years."

It is considered that the development of certain secondary industries in the province would be of material assistance to consumers, by reducing costs of some of the products they must buy by eliminating costly freight hauls, first when raw materials are transported out of the province and later when the finished products are brought back. This would enable Saskatchewan residents to obtain certain items at the same low price paid by consumers in Eastern Canada. It should be borne in mind, however, that this statement cannot be applied generally as it is not true of all products.

The development of various industries under consideration, which will be discussed in later sections of this Report, must be carefully co-ordinated with the development of Saskatchewan's natural resources. The increase in provincial income, and the greater stability that will come with diversification will act as an impetus to the further development of our natural resources, particularly in the forest and mining regions in the north. Potentialities of our natural resources are discussed in detail elsewhere in the Report.

In view of the foregoing, the Reconstruction Council is of the opinion that the establishment and development of secondary industries in the province is desirable if it can be shown, upon investigation, that such development is entirely feasible.

FEASIBILITY

It has not been considered part of the function of the Reconstruction Council to make a detailed investigation into each industry, either those already established or proposed new industries, with a view to determining feasibility on technical and economic grounds. Such investigations will be part of the work of technical and research experts in the various fields.

The one exception has been in the field of industrial utilization of farm products, in which there has been widespread and

growing public interest. Dean Kirk's study on this subject is appended to this Report as Appendix 5. The very real public interest and readiness to proceed with the development of secondary industries was indicated in many of the submissions presented to the Council, in which proposals for every conceivable type of industrial development, both large and small, were advanced.

Dean Kirk set out certain criteria that should be applied to any prospective industrial development before it is proceeded with, and it might be well to examine these in general terms before entering into a particularized discussion of industrial development in Saskatchewan. He states:

"The broad aspects of soundness are (1) feasibility of the industry from the standpoint of environmental factors, including labour, (2) relative economic advantage of processing within the province, and (3) 'security' or 'stability'. The first set of arguments for and against can be concerned with the material and objective factors surrounding the establishment of a plant; the second set would include the arguments with respect to producer, consumer, and market advantage; and the third would particularize the arguments with respect to the question of security and stability."

With regard to the first aspect, the matters to be taken into consideration are the acceptability and stability of raw material supplies, size and character of the plant, and the availability of labour, techniques, power, and other physical requirements. In the final analysis, the decision to establish or expand any given industry must rest on the best possible information as to whether the enterprise is likely to prove profitable, considering all relative factors.

In discussing Saskatchewan's problem of industrial development, Dean Kirk points out:

"In a free economy the likelihood of surpluses occurring has an important bearing on the establishment of industries from the standpoint of raw material supplies. As long as prices are satisfactory on the domestic and export markets, the argument for industries as a means of disposing of the surplus products, has relatively small appeal. It seems desirable, therefore, to arrive at a price below which each farm product might be regarded as being 'in surplus'. If such a price were determined for wheat most other products could be priced in accordance with their long-time relationship to wheat. Agreement on such prices would be useful also in making calculations as to the economic feasibility of any particular industry."

It is not thought that labour requirements of industries will provide any special difficulty; on the contrary, one of the

reasons advanced for the establishment of industries is to supply employment for our populace. Regarding this, Dean Kirk comments:

"Presumably labour would be as readily available in western Canada as in eastern Canada; perhaps there would be some advantage with the West in this respect as living costs should be slightly lower and agriculture will always be far from able to absorb the natural increase in farm population. The decentralization which would be involved in Western industrial development should be altogether healthy from the standpoint of both labour and management."

One suggestion made is to operate small localized processing or manufacturing plants during the winter months only, using farm labour otherwise idle.

In the consideration of manufacturing and processing techniques a warning is sounded that only presently available methods should receive attention. There is a distinct danger in building castles in the air based on the dreams of some visionary about possible future methods, or on possibilities that future research might bring. It is reasonable to assume that research will have much to contribute which may form the basis of new industries and new techniques, but until they have reached at least the pilot plant stage they cannot be regarded as other than speculative possibilities.

Another vital factor in development of industries is the availability of the necessary type and quantity of power. This matter has received special consideration by the Council and will be discussed under its own heading. The same applies to the question of water supply, an essential to many industries.

The next thing to be considered in the establishment of any industry, once it has been ascertained that the necessary requisites of raw material, labour and physical demand, are available, is the criterion of economic soundness. This includes such items as higher prices to farmer producers, lower costs to consumers of the manufactured or processed goods, and wider markets for primary farm products. Analysis of the economic feasibility requires a factual and realistic approach.

In general, it will be assumed that competitive prices and costs will form the basis of calculations and comparisons; and likewise that the industries are to be established and operated without benefit of government subsidies. It must again be emphasized that the profitability of certain types of industry might be radically altered by re-organization of the freight rate structure, or changes in the system of taxation, or the establishment of an industry as a co-operative rather than a non co-operative enterprise.

Dean Kirk points out that higher prices will only be given to the primary producer where some portion of the profits are passed on to the grower, since in most cases the demand for raw materials for industrial purposes within the province will not be large enough to affect appreciably the world price. Consequently, it is to be expected that the prices of products for industrial purposes will approximate very closely the export prices of these same raw materials.

By the same token, the prices to the consumer of the finished products will only be lower than imported goods when the costs of processing and marketing are less. Some of the factors that may offset the advantages of lowered freight costs are:

(1) Initial costs of plant construction will be somewhat higher in Saskatchewan than, for example, in Ontario or the United States.

(2) Some materials required in the manufacture of a specific commodity but not available in the province, must be imported. This may often be an important factor entering into the cost of production.

(3) When raw materials can be obtained more cheaply abroad, competition with industrial plants located on tide water may work to the detriment of similar plants located in the interior. The great distances involved in Canada make this an important consideration.

(4) Freight charges may operate against the industrial producer, if he wishes to market his product in distant markets outside the province.

The final consideration, when coming to a decision regarding the establishment of any given industry in Saskatchewan must be the additional "security" or "stability" it will give the citizens of the province. We must be prepared to face again the possibility of a major collapse of foreign trade similar to that experienced before the war, and plan for a measure of self-sufficiency to offset this.

"Self-sufficiency" is not a sound economic aim for any province, as like "national self-sufficiency" will inevitably result in a lower standard of living. However, to a degree, it can be justified on security grounds. Distasteful though it may be, we cannot afford to overlook the possible recurrence of economic nationalism and trade restrictions after the war, which would make it difficult to sell Saskatchewan farm products in foreign markets. One means of supplying the needs of the people is to convert some of the surplus farm products into essential consumer goods. This alone is a good enough reason for making strenuous efforts through research and experimentation to prepare for any eventuality.

Expansion of Present Industries

In looking at the industrial picture of Saskatchewan, there are two main fields to be considered; first, industries that are already established, and how, if at all, these can be expanded; second, the establishment and development of completely new industries.

Except in one or two instances where there is definite information indicating that considerable expansion of presently established industries is feasible, it is felt that

there is no need for a detailed discussion of industries well established in Saskatchewan. Statistics of production, capital invested, number of plants, number of employees, and the percentage increase or decrease in value of production of the 10 leading secondary industries in Saskatchewan between 1937 and 1941, are submitted as sufficient evidence that these industries are well established, and that every encouragement should be given to their expansion where such can be made economically.

SUMMARY OF STATISTICS OF MANUFACTURES IN SASKATCHEWAN (10 Leading Manufactures—Period 1935-1941)

Industry	Year	Capital Invested	No. of Plants	No. of Employees	Gross Value of Production	% Change Between '37 & '41
		\$000			\$000	
1. Flour and Feed Mills	1935	13,557	80	579	12,785	
	1937	9,410	63	547	19,114	—19.5% decrease
	1939	8,177	63	585	14,892	
	1941	7,730	58	587	15,386	
2. Petroleum Products	1935	4,970	14	418	5,684	
	1937	4,697	17	463	7,660	84.9% increase
	1939	4,660	11	452	10,074	
	1941	5,446	9	474	14,163	
3. Butter and Cheese	1935	3,554	74	801	6,558	
	1937	3,660	69	872	8,086	78.3% increase
	1939	3,256	68	885	7,741	
	1941	3,541	69	1,072	14,418	
4. Slaughtering and Packing	1935	2,412	6	648	6,501	
	1937	2,546	6	767	9,368	85.2% increase
	1939	2,574	7	589	6,088	
	1941	3,855	8	1,059	17,352	
5. Printing and Publishing	1935	2,521	126	826	2,303	
	1937	2,337	122	857	2,345	8.1% increase
	1939	2,207	134	883	2,351	
	1941	2,113	128	837	2,534	
6. Bread and Bakery Products	1935	2,020	148	540	1,681	
	1937	2,015	136	589	2,122	23.9% increase
	1939	1,816	125	608	2,138	
	1941	1,813	112	656	2,630	
7. Breweries	1935	3,245	9	248	1,598	
	1937	2,534	6	208	1,809	51.7% increase
	1939	2,433	5	189	1,799	
	1941	2,541	5	215	2,742	
8. Mineral Waters	1935	.....	.....	.....	.....
	1937	429	19	113	547	125.8% increase
	1939	658	21	144	794	
	1941	862	23	195	1,235	
9. Sawmills	1935	631	121	468	626	
	1937	646	95	456	781	285.5% increase
	1939	622	147	499	776	
	1941	1,716	358	1,498	3,011	
10. Planing Mills (Sash & Door Factories)	1935	.....	.....	.....	.....
	1937	1,096	18	235	537	96.6% increase
	1939	649	14	154	443	
	1941	838	15	279	1,056	
TOTALS ALL MANUFACTURES IN SASKATCHEWAN	1935	.....	.....	.....	.....
	1937	39,279	689	6,107	62,206	54.4% increase
	1939	37,654	737	6,475	60,651	
	1941	42,159	945	8,546	96,021	

NOTE: This table does not indicate how much the change in price, nor how much the change in volume of production have affected the "Gross Value of Production" figures.

Coal Products

During the fiscal year ended April 30, 1943, there were 94 coal mines operating in Saskatchewan, and they produced 1,283,555 tons of lignite coal. They were unable to operate to capacity during this period because of the labour shortage, and in fact 12 had been closed down the previous year. Of the coal produced 677,014 tons were exported, almost wholly to Manitoba, and the remaining 606,541 tons were consumed or processed in the province.

Much remains to be done in the experimental field to determine the most economic utilization of our lignite coal, which in its raw state is a poor weathering coal, and for this reason, among others, is not as popular with the domestic consumer as the harder coals from Alberta and elsewhere.

However, when it is processed into briquettes it is highly marketable and there is one small briquetting plant in operation at Bienfait. 90,651.85 tons of coal were processed at the Bienfait plant during 1943, producing 47,842.94 tons of briquettes. The wholesale price of these is \$7.25 a ton f.o.b. the plant at Bienfait.

The fuels laboratory of the Research Council of Alberta, under the directorship of Professor Edgar Stansfield, has been conducting extensive research over a period of years to ascertain if it is possible to make a binderless briquette, or in the absence of any such process, to find some cheap binder that is readily accessible to the prairie coal mines. Their experiments have not met with success as yet, but should be watched carefully as they might have an important bearing on further development of briquetting plants in this province.

In addition a number of experiments are being carried on in United States laboratories regarding the possible use of lignite coal as a source of ammonia from which nitric acid can be made. If this proves feasible a completely new vista of industrial development would be opened by the processing of native woods such as poplar for rayon, explosives, and other chemical products. The ammonia could also be used as a fertilizer base.

One of the by-products of the briquetting industry is creosote oil, and during the last year approximately \$23,000 worth was produced in the province. With an expansion of the briquetting industry, we may anticipate a corresponding increase in the production of creosote oil which would magnify the present difficult situation regarding its disposal.

The Dominion Briquettes and Chemicals Ltd. reveal that their annual production of the oil is approximately 300,000 gallons, which is distilled from a tar produced from lignite coal. The Saskatchewan creosote does not conform to the American Wood Preservers' Association standard in specific gravity, our oil being .9975 in comparison with the A.W.P.A. 1.03. It is claimed, however, that the Saskatchewan creosote contains 30 to 35 per cent. toxic acids compared to 5 per cent. A.W.P.A., which makes it more valuable in this respect from a wood preserving standpoint.

The distribution problem, however, is complicated because competitors of the Saskatchewan product stress the point that there is, as yet, no proof of the preservation qualities in the three or four years that ties and timbers have been treated with our oil, in comparison with treatments with oil conforming to the A.W.P.A. standard.

The Saskatchewan government and the P.F.R.A. have been using this oil for treating fence posts in the province. Between 1941 and this year large quantities were also exported to the United States where there has been a shortage of creosote oil.

If this industry is to be developed any further, markets must be found for the product, and it has been suggested that the Canadian railway companies which use a great many ties treated in Prince Albert should be requested to use at least a percentage of the lignite oil.

Perhaps the most promising possibility for the greater utilization of Saskatchewan's vast stores of lignite coal is in the production of producer gas, which in turn is a necessity for the development of so many possible industries, some of which are discussed in greater detail under the heading of "Clay Products".

One suggestion for the utilization of our lignite coal reserves, placed before the Council several times, was that the Russian method of underground burning to obtain the gases be adopted. The gases would be captured at the surface and used for light and power.

Regarding this, Mr. W. H. Hastings, Chief Inspector of Mines, Department of Natural Resources, states:

"Such a scheme might be used to advantage on very low grade fuels which would not warrant the cost of mining. The process only recovers the distillates which come to the surface with the gas and the main fuel and by-product values of the coal are lost. This would be a wasteful and uneconomic method of utilizing most of our Saskatchewan lignite deposits which can be so cheaply

mined and then treated in a variety of ways to recover both the gas and all the other valuable by-products contained, while at the same time allowing of the recovery of the char as a residual product of main importance".

Clay Products

There are large quantities of excellent clays in Saskatchewan, of five distinct types, all of which can be used for different types of brick or pottery. Professor W. G. Worcester, of the Department of Ceramic Engineering, University of Saskatchewan, declares that while there is an urgent need for a great deal of further laboratory and research work on Saskatchewan clays, the need for further field work has practically been eliminated. Research necessary before production of clay products reaches its maximum, involves the use of pilot kiln to determine how the clays will burn with available types of fuel.

Professor Worcester points out that the extent of further ceramic development will depend to a very large degree upon an enlarged western market, and a supply of suitable fuel, preferably natural gas, or producer gas made from Saskatchewan lignite.

According to Dominion Bureau of Statistics figures for 1941 (the last year for which complete statistics are available), there were 5 plants in Saskatchewan producing ceramic products, with a capital investment of \$821,000. These employ 47 men and women and have a payroll of \$75,000. The net value of products manufactured was \$201,000, and the gross value \$225,000.

The main types of Saskatchewan clays, and the uses to which they are now being put are as follows:

Red burning clays and shales can be used in making common brick, face brick, building tiles, land or drain tile, roofing tile, floor tile, flower pots, some pottery wares, and other like lines. These clays do not require the addition of other materials. They have been manufactured into building brick and tiles for the past 40 years at Estevan, Bruno and other points in the province. These firms have all suffered badly through lack of markets and sharp competition from Alberta where the use of natural gas results in low burning costs which cannot be met by Saskatchewan producers who must use solid fuel (lignite coal). This can only be used for "low temperature" wares and not for pottery where higher temperatures and freedom from ash are necessary.

Buff burning clays occur in large quantities in southern Saskatchewan and are

useful for making yellow pottery ware such as mixing bowls, teapots and other kitchen wares. They are also used to make terra cotta, sewer pipe, fire proofing, building tiles, face brick, paving brick and other products. They do not require the addition of other materials.

Stoneware clays are much the same as the buff burning clays except that they are burned to higher temperatures for other types of wares such as jugs, crocks, churns, water coolers, ginger ale bottles, acid resistant wares and other products where very low absorption is necessary. Except for the glaze they do not require the use of other materials.

For a short time these clays were used at Estevan in a pottery where wine jugs were made. It was finally necessary to abandon this work because solid lignite was unsatisfactory as fuel. However, hundreds of tons of these same clays are shipped annually to Medicine Hat where they are made into wares and successfully burned with natural gas at that point. Much of the finished product comes back to Saskatchewan at a price much lower than would be possible if finished at Saskatchewan clay pits with existing facilities.

Light and white burning clays also occur in southern Saskatchewan and are used in making all types of whitewares such as dishes, floor tile, wall tile, art pottery, etc. Professor Worcester points out that clays of this type, no matter in what part of the world they occur, can seldom be used in excess of 20 per cent. to 30 per cent. of the total body mixture. For manufacturing reasons this clay must be blended with potters flint, china clay, feldspar, Cornish stone or other like materials, none of which are procurable in western Canada. Potters flint and feldspar are both mined and prepared in eastern Canada and the china clay can be obtained in England or from the southern states.

Up to the present these clays have not been used in Saskatchewan at all but have been shipped to Medicine Hat and are there used in part in the composition of the body mixture of semi-vitrified whiteware dishes now in production at two large potteries.

The production of these plants is now in heavy demand because of the need for dishes in the various military camps, but Professor Worcester is of the opinion that post-war demands for this ware will fall sharply unless the population of western Canada is increased materially. This fact, taken in conjunction with the poor fuel available in Saskatchewan, indicates that it would be unwise at the present time to contemplate building a whiteware plant in this province. He continues:

"Then too, it may be pointed out that the only large and steady market for

whiteware pottery is in eastern Canada. A pottery to succeed must have an outlet for its culls and seconds as well as the firsts. The western markets cannot absorb all three. The freight rate to the East on a carload of culls or seconds is just the same as for a carload of firsts. Therefore, the western producer would be money ahead to throw the two lower grades into the dump than to ship them east. To exist he must at least get his manufacturing costs out of his culls".

In addition to this there is a large Canadian pottery now in production at Hamilton, Ontario, and the competition through the cheap water haul of English and European wares to eastern Canada is very keen, as is that from the potteries in the United States, all of which have a much lower freight rate than there is from the prairies to eastern Canada.

It must also be kept in mind that about 60 per cent. of the raw materials needed for whiteware would be shipped from the east to the west, then made up into ware and reshipped back east at a much higher freight rate. This cannot be done economically.

While under present conditions it appears economically impossible to start a whiteware development in Saskatchewan, this should not retard the sale or export of the pottery clays to eastern Canada, the United States and other fields. Both eastern Canada and the United States, in Professor Worcester's opinion, are potential markets for the high grade Saskatchewan ball clays, and as their value becomes better known by the users, it should be less difficult to attract capital for a local development.

Fire clays are in ample supply in Saskatchewan, particularly in the Dirt and Blue Hills near Claybank, where they are now manufactured into a wide variety of refractory products. This industrial clay products plant is the only one in the three prairie provinces.

Development of Ceramic Industries

While Saskatchewan has an estimated 57 billion tons of lignite coal, it cannot be said that it offers much to the ceramic industries, other than for low grade products, unless it can be changed from a solid fuel to a gas. Professor Worcester emphasizes this, pointing out that only when this is possible will there be much encouragement to develop the local high grade clays. One difficulty with the lignite coal is its low heating value, and another is the low fusion point of the ash.

The best way to develop the ceramic industry is to convert the lignite into producer gas. While this is not equal to

natural gas in certain respects, it has a wide field of usefulness in many industries. Hence if a satisfactory gas can be produced from Saskatchewan lignite for use in the field of ceramics, the way will be opened to other industries requiring a large amount of fuel in their processes. At present, in the production of fire brick at Claybank, the firm must import high grade coal from Alberta. This would not be necessary were producer gas available.

Professor Worcester points out that while the production and use of producer gas from lignite has long been a success with the continuous types of ceramic kilns, this does not solve Saskatchewan's problem, because the kilns used in this province are non-continuous, that is, periodic in their turn-over. It is not yet known if these kilns can be successfully burned with producer gas, and the only way that it can be definitely ascertained is to install a test producer and other equipment at one of the Saskatchewan clay product plants for study purposes until the problem has been solved.

Professor Worcester is fairly well convinced that a system can be established for burning producer gas in such periodical kilns, and International Clay Products Limited of Estevan has sufficient faith in his belief to offer him the use of such a kiln for his experimental work. The managing director, Mr. G. A. Calvert, writes that a kiln, boiler and all steam fittings, as well as piping and gas jets are available. In addition there is a supply of raw material made up ready to burn, the necessary coal, and the brick for building gas producers. He continues:

"All these are at the services of Professor Worcester, without cost to your Council or to the government ... We are so convinced that should this system, proposed by Professor Worcester, be successful, it would be such a boost to the industry of Saskatchewan, that we are prepared to do anything within our limited power to have this proposal gone ahead with at the earliest possible date."

Professor Worcester estimates that it would cost approximately \$50,000 to \$75,000 to make the necessary alterations in the kiln furnaces to convert them to gas-burning, and to purchase necessary technical apparatus, laboratory equipment, and special producer gas burners for the test kilns. This grant would also cover the cost of continuous technical supervision while the tests are under way as well as ordinary labour to manipulate the producer, etc. He is of the opinion that it would take approximately one year to complete the experiments.

This sum is small in comparison with the importance of Saskatchewan's future industrial development provided a method is

found for cheaply converting the present solid fuel into gas. This would open the way to the production not only of more and cheaper clay products, but also of higher grade ceramic wares not now possible. In addition there are other industries which use large quantities of fuel now unable to locate in Saskatchewan because their raw materials must be fired with oil or gas. Among these are glassware, enameled sheet steel and cast iron (such as cooking ware, bath tubs, etc.), certain tempering and annealing furnaces, drying equipment and many other lines including chemical products.

As a result of these representations the Saskatchewan Government has authorized Professor Worcester to make a tour of certain establishments in the United States where producer gas is made from lignite coal and learn all he can about its production, and its use in the ceramic industry. He has also been instructed to make an inventory of the kilns and other equipment presently available at Estevan and to make a complete list of the additional equipment and materials needed to construct a pilot plant. He will make his report to the Reconstruction Department as soon as possible.

The Reconstruction Council recommends that the necessary money be granted to Professor Worcester to carry on research at the Estevan plant so that the development of these ceramic industries, if found feasible, can be proceeded with as soon as possible.

The Council has noted that a manufacturing plant for highgrade refractory products is being established in Toronto, and buying its raw materials from the United States. In the event of the experiments with producer gas proving successful, the Council advocates that pressure be brought to have such a plant established in the Saskatchewan clay belt to use our native clays which compare in quality to the best in the world.

If the use of brick is encouraged in building both urban and rural houses, it will give great impetus to the brick manufacturing in the province. There are at present two plants in a favourable position to go into production of building tiles or brick on a large scale on short notice. One is in the southern part of the province and the other in the north central section; therefore advantage could be taken of short shipping distances.

In this class of ceramic work the lignite can be used as a solid fuel for burning, although producer gas would be preferable.

The fact that a maximum amount of labour is required in their manufacture at the clay plant and in obtaining the fuel

from the coal mines is a strong argument in favour of the use of clay products for building.

Professor Worcester states that in addition to the experimental work recommended at the pilot plant, a widely expanded programme of laboratory research in ceramics is necessary. For this, an extension of departmental space at the University of Saskatchewan, in the form of a room added to the end of the present kiln room is necessary, the new space to be used for the storage of quantity samples, and to house the grinding and screening equipment in order that contaminating dust be kept away from the work.

No shortage of technical personnel for the work is anticipated in the reconstruction period, as Professor Worcester points out that there are a number of Saskatchewan ceramic graduates now in the armed services who expect to return and have already written about positions and refresher courses. In addition five men were graduated in ceramics this year. He suggests that the returned men could be given part-time laboratory work in conjunction with a refresher or advanced course in ceramics.

The estimated cost of additional laboratory equipment to carry on the necessary scientific work, plus special furnaces, retorts, kilns, etc. is \$5,500, about the value of a two-day output of a modern clay products plant. It is recommended that funds be made available for this additional research.

Very little can be done in the matter of vocational training of workmen until plants are actually opened, as very special training which cannot be given properly in a classroom or laboratory is required. As a general rule plants prefer to train their own skilled workers because they do not all produce their wares by the same methods. Some help could be given by short courses or night classes at points where there are a number of ceramic plants, although up to the present, there is no such ceramic industrial centre in Saskatchewan.

Machine Shops

In this field there is, without doubt, a great need for expansion at the present time, and certainly in the immediate post-war period. Mr. L. B. Thomson, superintendent of the Dominion Experimental Station at Swift Current, presenting a brief on behalf of the Western Agricultural Engineering Committee, Saskatchewan Section, emphasized the growing need for more repair shops for farm machinery as a material aid to more efficient agricultural production.

In 1941 this was only a small industry with nine establishments in this province, a capital investment of \$142,757, and employing only 42 men and women. With the growing labour shortage there is no reason to suppose that the industry has increased materially since the Dominion Bureau of Statistics' figures were released; indeed Mr. Thomson's submission regarding present conditions, would indicate that repair facilities have decreased in the past three years.

According to the 1941 estimates there is, in Saskatchewan, an investment of \$116,405,000 in farm equipment, and the average yearly expenditure on new equipment is \$10,000,000. The replacement cost is high and could be reduced considerably if shops to service farm machines were set up at strategic points. At present the great bulk of repair work done is performed either by the farmers themselves or in small shops and garages at local centres, where equipment and trained men are limited.

The result of this lack of adequate repair facilities is that many machines are decreasing in efficiency and wearing out prematurely.

During the immediate post-war years new machinery will continue to be scarce owing to European rehabilitation and many farms will have no opportunity of buying any. During the 1940-44 period total machinery sales did not keep pace with the demand for replacements and the requirements of new buyers due to labour scarcity. Moreover, owing to increased production, the farm machines have been doing more work with consequent shortening of life.

If present farm machinery is not kept in a good state of repair there is a definite danger that food supplies will not be maintained or increased to satisfy world demand. However, Mr. Thomson points out that if adequate repair shops are set up, more machinery now on the farms can be kept functioning.

If, in vocational courses, special attention is paid to training men for work in such farm machinery repair shops, suitable employment can be provided for many capable young men returning from overseas.

He suggests that some of the men who return and are interested and qualified in this type of work might be able to start such a business, using their own money, aided by long-term loans at low interest. It might also be necessary to aid them with short-term grants at first to carry them over slack seasons until reserves have been built up on the same basis that grants are made to veterans awaiting returns from business or crop.

A further suggestion is to encourage capable men having shops and equipment to go into farm machinery repair work by

the aid of long-term loans, provided they hire suitable men from the armed forces. In some communities a co-operatively owned shop could probably be instituted with little or no financial assistance, although co-operative enterprises should be equally eligible for any loans being made.

Mr. Thomson feels the need for farm machine repair shops is so great that he would advocate government ownership and operation where it is found impossible to establish them under private or co-operative auspices. He suggests turning such a shop over to a reliable party or co-operative at cost as soon as it has been put on a workable basis.

He advocates placing these farm machinery repair shops at central locations, preferably larger centres with access to power and repair facilities having a servicing radius of 50 to 60 miles. Minor jobs could be done by field service truck, while major jobs could be trucked into the central shop and overhauled.

In all probability special shops would have to be erected in most instances as it is estimated that a good shop for this type of work should have at least 3,000 square feet of floor space as a minimum, a ceiling at least 14 feet high with a minimum of pillars. A good loading and unloading platform should be available.

Much of the necessary equipment should be obtainable from the ordnance repair depots after the war. A shop would require a good set of tools, welding outfit, valve refacing and reseating machine, grinder, blacksmith equipment, a good hoist, as well as some special tools such as pullers, as a minimum. As the business grew tools and machines could be added.

In establishing this industry it is suggested that much useful information may be obtained by studying the equipment and methods used by the government at the Dominion Experimental Station at Swift Current for the repair of machinery of all kinds.

Oil Refineries

Up to the present there has been practically no production of crude oil in Saskatchewan. In 1940-41 a mere 331 barrels (11,585 imperial gallons) valued at \$256 were produced, but there is no record of production since that time. Oil companies are still carrying on extensive surveys throughout certain sections in the hope of finding productive oil wells, but this is highly speculative.

However, the refining of crude oil to produce gasoline, fuel oil etc., using crude oil imported from the United States and Alberta is an important and growing industry.

The growth of the industry between 1937 and 1941 is shown in the following table:

Year	No. of Plants	Capital	Employees	Gross Value	% Change Between '37 & '41
		(000)		(000)	
1937	17	\$4,697	463	\$ 7,660	
1938	12	4,095	410	9,390	
1939	11	4,660	452	10,074	
1940	10	5,016	488	11,711	
1941	9	5,446	474	14,163	84.9% increase

The war has caused a substantial increase in production and the capacity in barrels has risen from 14,620 in 1939 to 16,775 daily in 1942.

In 1942 Saskatchewan refineries used 138,389,088 imperial gallons of crude oil (under 60° American Petroleum Institute) from Canadian wells valued at \$8,664,261, and 39,243,151 imperial gallons imported from the United States, valued at \$2,743,523. Since the outbreak of war the capacity of the refineries has been taxed to the limit although in 1939 only 110,000,000 imperial gallons were refined while the capacity by 1942 was over 175,000,000 imperial gallons. Past experiences would indicate that this industry is capable of expansion and the success of the Consumers' Co-operative Refineries shows a definite trend in this direction along co-operative lines.

The Consumers' Co-operative Refinery began operations in 1935 when a modern skimming plant with a 500 barrel capacity was erected on No. 1 Highway, east of Regina. In June, 1940, extensions were made to provide for a 1,500 barrel, modern combination cracking and skimming plant. During 1943 this refinery processed 421,882 barrels of crude oil, of which 358,999 came from the Turner Valley fields.

Mr. H. L. Fowler, president of the Consumers' Co-operative Refineries Limited, declares, "The greatest accomplishment of the consumers, through their locals and co-operatively owned refinery, is not in the earnings of the organization, but in the effect it has had on the petroleum price structure in the area in which they operate." In 1943 the earnings of the Co-operative Refineries were sufficient to provide a 6 per cent. dividend for the locals and at the same time increase the equity of the members by \$101,571.

The Co-operative Refineries have outlined a post-war construction plan for future expansion involving an expenditure of \$200,000. In the presentation to the Reconstruction Council, the organization states:

"Our organization is prepared to begin any part, or all of the above program,

at any time, or to delay to any reasonable extent the starting of the program if such delay better fits into the Provincial or National reconstruction picture. Our organization is prepared to finance all of the above construction without reliance on any Governmental assisted financed plan which is said to be in the offing."

The details of the plan are:

Expansion of refinery facilities, including additional cracking coil and other equipment	\$75,000
Office building	40,000
Workshop	20,000
Warehouse	55,000
Redesigning of distributive facilities at the plant	10,000
	\$200,000

Fur Industry

The production of raw furs in the Province of Saskatchewan is a growing industry and is discussed in detail under "Natural Resources". Between 1931-32 and 1942-43 the total value of furs produced rose from \$1,043,739 to \$2,440,950, the greatest part of this rise being in the production from licensed fur farms. In 1931-32 only \$193,629 worth of raw furs were produced on these farms but by 1942-43 this had risen to \$809,375.

In 1941 there were five establishments processing furs in the province with an invested capital of \$162,925 and employing 56 persons. The net value of production for the five plants was \$114,862, and the gross value \$220,336.

At the present time the great bulk of furs produced in Saskatchewan is shipped to Winnipeg, Eastern Canada, or United States markets for processing, where the buying power for the finished product is greater. The possibilities of establishing more fur processing plants in Saskatchewan and shipping the finished product to these markets rather than the raw furs appears sufficiently feasible to be at least worthy of investigation.

Dairy Products

Saskatchewan is growing in importance as a dairy province, and during 1943 produced more than 15 per cent. of the total Dominion creamery butter production. In the event of large-scale irrigation projects being undertaken, we can anticipate a further extension of the processing of dairy produce into butter and cheese.

Up to the present, owing to the scattered and small dairy herds, the difficulties of transportation, and the high freight costs, butter has proven the most satisfactory outlet for fluid milk. Transportation costs are materially less in the case of butter fat because it is necessary to ship only twice a week and approximately only 10 per cent. of the volume is shipped. Processing milk into either cheese or canned milk requires daily shipments and the whole milk must be shipped.

Between 1931 and 1943 Saskatchewan's butter production steadily increased, from 18,960,352 pounds to 47,721,150 pounds. The development of the industry has been accelerated and fostered by the policy of the Department of Agriculture of encouraging improvement in the quality of dairy herds, and setting such high standards of processing. At the present time 52 per cent. of Saskatchewan's fluid milk production is processed into creamery butter and 16 per cent. into dairy butter for farm consumption. Less than 1 per cent. is made into cheese.

At the end of 1943 there were seven cheese plants in this province representing a total investment of \$16,000, processing milk into cheddar cheese. The Dairy Pool at Saskatoon is the only factory at present processing the cheddar into package cheese. Production of cheddar for 1943 totalled 445,000 pounds.

The main hope for greater development of the cheese industry rests on greater con-

centration of dairy herds. This might result from large-scale irrigation projects.

Concentration of dairy herds would also open up possibilities for the manufacture of condensed or evaporated milk. Such a plant would require a fairly large initial investment for equipment, but it would not be so large, nor the processes so complicated, that it could not be started as a co-operative venture, particularly with the aid of funds from the Industrial Bank.

An evaporated milk plant would necessitate large enough dairy herds to guarantee a steady flow of milk, and the herds should be located in an area permitting dairy trucking of raw milk to the plant.

Increased dairy production after the war will depend largely on farmers obtaining a profitable price. At present a substantial subsidy is paid for butterfat, as well as a consumer subsidy to stabilize the price of fluid milk to the consumer and thus prevent an increase in the cost of living index. If these subsidies are withdrawn after the war, it will have a very serious effect on the production of dairy products. Saskatchewan has reached the highest level of production of creamery butter in its history and every effort should be made to maintain the industry.

It is therefore essential that the Provincial Milk Control Board study and report on the question of subsidies, the probable effect on the dairy industry if these were withdrawn, and necessary measures to stabilize the industry.

Stockyards

There are four stockyards in Saskatchewan at present. These are located at Prince Albert, Saskatoon, Moose Jaw and Regina, but a very large proportion of Saskatchewan's livestock is not marketed at them.

In 1943 the following livestock was marketed at Saskatchewan stockyards:

	Cattle	Calves	Sheep	Hogs
Prince Albert	11,884	1,681	4,212	23,063
Moose Jaw	10,972	2,327	14,660	13,818
Saskatoon	21,475	4,898	4,827	25,688
Regina	13,406	1,749	4,236	50,258
TOTAL	57,737	10,655	27,935	112,827

These figures do not all represent Saskatchewan livestock only as some is shipped to our stock-yards from Alberta and possibly Manitoba. However, it is safe to say that the great bulk of these marketings is local stock.

The greatest percentage of Saskatchewan's livestock is not marketed in this province, as is shown in the following table giving the disposition of Saskatchewan animals shipped to stockyards and packing plants during 1943.

Saskatchewan Commercial Livestock Output, 1943

(Classified by province in which actually marketed)

Marketed at Stockyards and Packing Plants in:	Cattle	Calves	Sheep	Hogs
British Columbia	22	.....	.....	25
Alberta	2,216	66	105	77
Saskatchewan	103,054	17,058	50,418	741,706
Manitoba	154,129	45,980	42,855	636,530
Ontario	3,601	428	5,449	26,043
Quebec	1,101	4	.....	4,655
TOTAL	264,123	63,536	98,827	1,409,036

The figures indicate that Saskatchewan could use additional stockyards, particularly in the large livestock producing area of northeast Saskatchewan which now ships practically all its stock to Winnipeg rather than to Saskatoon or Regina.

The erection of stockyard facilities in Yorkton and Melfort would give producers of that area additional bargaining power to enable them to get better prices for their stock, which they lack now when they must ship to Winnipeg.

The Council received briefs from Swift Current, Melfort and Yorkton requesting the establishment of stockyard facilities in each of those localities. The claims of Yorkton and Melfort appear worthy of particular consideration in this regard.

The Yorkton district, which comprises most of Crop District 5, marketed 58,899 cattle (21.9 per cent. of Saskatchewan's total); 24,439 calves (38.5 per cent.); 162,935 hogs (11.6 per cent.); and 17,996 sheep (17.2 per cent.) in 1943, giving ample evidence in support of the request.

The Melfort district, comprising Crop District 8, in 1943 marketed 29,490 cattle (11.0 per cent.); 10,353 calves (16.3 per cent.); 277,313 hogs (19.7 per cent.) and 11,746 sheep (11.3 per cent.). The increasing livestock production in the Carrot River area would seem to merit the erection of a union stockyard. Stockyards situated in this area will prove invaluable if the desired development of the Hudson Bay route comes to fruition.

Packing Plants and Meat Processing

The slaughtering and meat packing industry in Saskatchewan holds definite promise for large expansion. By 1942 it had reached the position of Saskatchewan's leading secondary industry, with eight firms having a capital investment of \$4,673,220 turning out products to the gross value of \$25,592,641. There were 1,298 persons employed and the payroll amounted to \$1,925,601.

Up to the present the industry in this province has been dominated by a few large national concerns such as Swift Canadian Company Limited; Burns and

Company Limited, and Canada Packers Limited. Individual operators doing a small packing business are the exception, in striking contrast to the industry in Ontario and Quebec. There, the number of individual packers operating on a small scale is proportionately large.

Saskatchewan has an increasing proportion of Canada's livestock population, but the percentage processed in this province is grossly disproportionate. In 1940 Saskatchewan marketings compared with Dominion marketings of livestock were as follows:

	Cattle	Calves	Sheep	Hogs
Saskatchewan	212,699	83,500	80,156	648,938
Canada	1,209,964	818,670	772,241	5,456,844
Per cent. of Sask. to Dominion.....	17.6	10.2	10.4	11.9

For the same year (1940) Saskatchewan packing plants' gross production was valued at \$10,234,600 or 4.48 per cent. of the Dominion total of \$228,500,000.

At present this disproportion has undoubtedly grown, as Saskatchewan marketings of livestock in most instances have substantially increased. Figures for 1943 follow:

	Cattle	Calves	Sheep	Hogs
Saskatchewan	268,662	63,544	104,399	1,409,036
Canada	1,243,888	643,569	887,199	7,149,920
Per cent. of Sask. to Dominion.....	21.6	9.9	11.8	19.7

Many of the smaller packing plants in Ontario and Quebec are designed for the processing of hogs only, which is explained by Professor W. M. Drummond in *Wartime Controls in the Meat-Packing Industry* as follows:

"Of the several reasons for this which may exist there are two which seem to stand out. In the first place, variation in the types of livestock handled means variation in the size of plant and kinds of processing equipment. Furthermore some of the equipment items required in the processing of the animals other than hogs are among the most expensive in the whole packing business. The cooling rooms for beef and mutton, for example, indicate the large amount of fixed investment that is involved. Where the amount of investment funds is limited, as is ordinarily the case in the formation of all but the larger companies, it is only natural that the nature of the business should be restricted. The second reason has to do with the ability to use by-products. It is generally recognized that a packer's receipts for livestock products are made up partly of the returns for the meat and partly of the returns for the by-products, both edible and inedible."

This would indicate that small packing plants for the processing of hogs, might stand a very good chance of success in this province, particularly when the great increase in hog production is noted.

If stockyards were erected as requested in such livestock centres as Yorkton, Mel-

fort and Swift Current, small co-operative packing plants could, in all probability, be established in conjunction with them. Weyburn, Saltcoats and North Battleford also requested the establishment of packing plants in their localities.

It may reasonably be anticipated that for some time after the conclusion of war there will be a considerable overseas market for our beef, mutton and pork products, with resultant benefits to the farmers of this province. The processing of meat here would materially reduce the cost of transportation, benefit primary producers by reducing shrinkage, and provide steady employment for a substantial number of men and women.

The development of large-scale irrigation projects would guarantee a steady and increasing flow of livestock to market, and provide a stable basis for the meat-packing industry.

Where conditions do not warrant the establishment of packing plants, there are openings for abattoirs and slaughter houses, from which carcasses could be sent to packing plants for processing.

It should be borne in mind that the foregoing is predicated upon a continued demand for western livestock products. The extent to which this demand will be maintained in the post-war years when other countries resume production in competition is a factor of first importance.

Egg-Drying Plants

The egg-drying industry is of comparatively recent origin, and one that has grown with extreme rapidity under war conditions. Restricted storage facilities and inadequate transportation space made it virtually impossible to export whole eggs overseas. The great saving in shipping space can be visualized by the fact that a five ounce package of dried eggs represents the equivalent of one dozen whole eggs.

Saskatchewan has only one egg-drying plant, Canada Egg Products, located at Saskatoon, equipped to handle 2,000 cases (60,000 dozen eggs) a day. It is working to capacity at the present time, 24 hours a day. Only Grade A and Grade B eggs are used and the product has the lowest bacterial content of any on the continent. At present the product is sent to Winnipeg to be packaged.

Saskatchewan's egg production has been rising sharply since 1939 when production was 35,550,000 dozen compared with 57,264,000 dozen in 1943. It is anticipated that the 1944 egg production will greatly exceed any previous year.

The future of the egg-drying industry is very uncertain because it depends upon the willingness of the overseas market to continue using the product even when shipping agencies are again able to handle normal trade requirements. The dried eggs are not particularly popular with the British housewife or with the baking industry be-

cause of the loss of "raising" powers. The ease of handling, the savings in freight and handling charges, and the need for feeding starving people might give it a European market during the reconstruction period.

Cold Storage Plants

At present the major portion of Saskatchewan's cold storage warehouse space is taken up with produce stored temporarily by various marketing firms pending delivery to wholesalers or retailers. There is a small amount of space in urban centres available to the public at low rents. As would be expected most of the 21 cold storage plants in Saskatchewan are concentrated in the cities, and are of little value to the rural populace.

With Saskatchewan's production of live-stock, poultry, fish and vegetables expanding and apt to grow still more with the establishment of large-scale irrigation, a still greater production of these products can be anticipated and therefore a greater need for adequate storage facilities.

Saskatchewan's storage facilities are not completely adequate at the present time, nor have they been during the war. Present space is taxed to the limit and large quantities of our produce have been shipped to Winnipeg and eastern points for storage during the last year. Comparative figures are given in the following table of storage facilities by provinces:

Province	No. of Plants	Refrigerator Space, cu. ft.
Prince Edward Island.....	9	321,342
Nova Scotia	21	3,113,383
New Brunswick	24	1,290,401
Quebec	65	11,399,691
Ontario	127	17,326,534
Manitoba	37	6,036,703
Saskatchewan	21	1,883,563
Alberta	16	4,128,574
British Columbia	86	13,053,443
Yukon	1	44,900

The greatest need is to supply smaller centres and rural population with cold storage facilities to make fresh meat, dairy products, and vegetables available to a much greater extent than at present. An ample supply of water as well as a convenient source of electric power are the two essentials for such plants.

Under the present Cold Storage Act, R. S. C. 1927 Ch. 25, subsidies are granted by the Dominion Government to encourage the

construction and equipment of cold storage warehouses open to the public. Up to December 31, 1941, four warehouses with refrigerator space of 441,868 cubic feet costing \$268,707 have been constructed in Saskatchewan with Dominion subsidy aid. A total subsidy of \$80,612 was granted.

An increase in the amount of the subsidy might encourage co-operatives to erect cold storage facilities in some of the smaller centres throughout the province where investigation shows they are needed.

Honey Extraction

The production of honey is another rapidly expanding branch of the agricultural industry in this province. Between 1935 and 1943 the production rose from 1,051,361 pounds to 5,364,563 pounds.

In 1939 the Saskatchewan Honey Producers Co-operative Marketing Association, Limited, was formed for the express purpose of assisting the honey producer by orderly marketing, and guaranteeing a satisfactory price the year round by preventing fall dumping on the market.

In 1942 this association constructed a modern, three-storey plant at Tisdale, valued at \$14,000, capable of processing over a million pounds of honey a year. It operated to near capacity in 1943. Sales for 1941-42 amounted to \$48,645 and rose to \$60,654 by 1942-43.

This would appear to be a field for possible expansion, particularly by co-operative efforts, as the present co-operative has enjoyed marked success.

Breakfast Foods

There are only three establishments in Saskatchewan concerned primarily with making prepared breakfast foods. These have a capital investment of \$30,579, and gross production was valued at \$56,821 in 1942.

It should be pointed out, however, that several of Saskatchewan's larger milling companies also manufacture certain break-

fast foods such as rolled oats and other uncooked breakfast cereals as a side-line to the larger flour-milling industry but there are no statistics available of the breakfast-food production of such establishments.

Up to the present the production of breakfast foods in Saskatchewan has been confined to the puffed grains, and such uncooked breakfast cereals as rolled oats. Apparently there should be room for expansion into wheat flakes, shredded wheat, bran flakes, etc., particularly as they require no large capital investment and the supply of raw materials is at hand.

Seed Cleaning Plants

Seed cleaning plants for removing weed seeds, serve to improve the quality of field crops. This is an important function in a province such as ours where the up-grading of crops can make such a marked difference in the income of so large a proportion of our population.

To aid in this improvement, the Dominion and province shared the cost on a 50-50 basis of portable seed cleaning outfits lent to the municipalities. There are now 28 such units in the hands of rural municipalities, although the Dominion contribution for this purpose was discontinued in 1941, at which time there were 31 units in operation.

The following table shows the quantity of seed cleaned by these municipal units 1937-43:

Municipal Seed Cleaning Outfits
Quantities of Grain Cleaned by Municipal Cleaners, by Years
(Basis Uncleaned Seed)

Year	No. of Units	Wheat Bus.	Oats Bus.	Barley Bus.	Flax Bus.	Rye Bus.	Total	No. of Farmers
1937	26	639,025	36,261	11,119	5,351	.....	691,786	1,992
1938	26	436,386	28,455	4,825	1,953	.....	471,619	1,547
1939	26	583,606	22,707	7,705	3,416	100	617,534	1,593
1940	25	734,651	20,771	4,785	3,980	54	764,241	1,689
1941	31	802,117	20,765	5,530	15,097	230	843,739	2,068
1942	26	719,509	32,370	9,891	34,402	..	796,172	1,857
1943	28	444,932	64,569	49,653	121,459	150	680,763	1,817

Co-operative marketing associations in 1942 also cleaned 2,670,550 pounds of alfalfa seed, 2,616 bushels of wheat, 265 bushels of oats, 260 bushels of barley and 1,436 bushels of flax seed.

In addition the Dominion Government Seed Cleaning plant, located at Moose Jaw, is operated by the Field Crops Branch of

the Department of Agriculture as a public utility. Tariff rates are charged for cleaning cereal and forage crops seed for individuals or organizations.

During 1942-43 the following quantities of cleaned seed were turned out by this plant:

Brome	829,957 pounds
Crested Wheat Grass	290,811 "
Mixed Grass	50,128 "
Western Rye Grass	54,921 "
Timothy	1,383 "
Millet	3,030 "

1,230,230 pounds

Barley	16,438 bushels
Flax	31,781 "
Oats	139,034 "
Rye	109 "
Wheat	9,124 "

196,486 bushels

As the cost of efficient seed cleaning equipment is obviously too great for the individual farmer to contemplate, and also one farmer will not make sufficient use of a plant to warrant his purchasing it, either additional municipal units or further co-operative seed cleaning units should be encouraged. It is the Council's opinion that municipalities should be assisted by the Provincial Government to acquire satisfactory seed cleaning machinery for the use of their ratepayers. Co-operative organizations might also be given some assistance in obtaining such seed cleaning units.

Wood Products

The only secondary industry in Saskatchewan of any importance that uses the products of saw-mills, is the planing mill industry. This is devoted to the manufacture of such items as sashes, doors and other millwork. In 1941 there were 15 planing mills in Saskatchewan, with a capital investment of \$838,000, gross value of products being \$1,056,000. By 1937 it had become one of our ten leading secondary industries, and has held that position ever since. (See table, "Statistics of Manufactures in Saskatchewan" p. 119).

The war has caused a sharp increase in production in this field, with gross value rising from \$443,079 in 1939 to \$1,056,000 in 1941. It is not anticipated that the cessation of hostilities will result in any very great drop in production because of the great back-log of civilian construction programmes piled up during the war. In fact, informed opinion anticipates that there will be an even greater demand for planing mill products during the reconstruction period.

Lumber used in mill-work has been, until recently, obtained almost entirely from points outside the province, although since the war Saskatchewan lumber has, to some extent, replaced and supplemented other sources of supply.

The furniture industry does not loom very large in Saskatchewan's industrial picture. In 1941 the Dominion Bureau of Statistics reported 4 establishments in this province with a capital investment of \$17,000 and gross value of production \$38,000. No very great expansion of this industry can be anticipated so long as practically all the lumber needed must be obtained from outside the province.

However, if the new method of impregnating soft woods with a formaldehyde-urea solution in order to substitute them for the more expensive and scarcer hardwoods proves commercially successful, new possibilities are opened up in this province. The experimentation in this process should be watched with keen interest, and research could even be carried on at the Saskatchewan University to ascertain its applicability to our native soft woods.

Establishment of New Industries

The main field for the establishment of new industries in Saskatchewan would appear to be in the processing of farm products. Dean Kirk has made an intensive study of their possible industrial uses. Only a brief outline is included here as the detailed discussion is to be found in Appendix 5.

Dean Kirk points out in the early section of his study that the following list of products can be grown, or are being grown, in abundance in this province, and can be supplied in sufficient quantity for industrial purposes should they be required.

1. Cereals—wheat, oats, barley, rye.
2. Oil seeds—flax, sunflowers, rape, linseed meal.
3. Legume seeds—alfalfa, peas, beans.
4. Dairy products—milk, butter, cheese.
5. Poultry—eggs, dressed poultry.
6. Meat products—beef, bacon, hams, lamb, mutton.
7. Miscellaneous products—wool, honey, hides, vegetables.
8. Waste products—wheat straw, flax straw, seed screenings, oat hulls, sunflower husks.

In considering the various potential industrial uses of farm products suggested for Saskatchewan, Dean Kirk in all instances looks first to the economic feasibility of the development. He discusses them as follows:

Alcohol and Related Products

These give the greatest possible outlet for low grade and surplus wheat, and the greatest potential market for the alcohol

is as a power fuel. Before the outbreak of war most of the supply of alcohol was obtained by fermentation of molasses and this supply is now being supplemented by the synthesis of petroleum gases, wood distillation from waste sulphite liquor, and from sugar beets. Wheat, if sold at \$1 a bushel, provides the most expensive source of alcohol costing 58 cents per gallon compared with a cost of 30 cents to 38 cents per gallon from molasses.

Thus, it will be seen that at the present time, it would be unwise to advocate the erection of an alcohol plant on the assumption that it will prove a sound commercial enterprise for private capital. However, if in the future gasoline for motor fuel should be augmented by power alcohol the quantity of the latter required would be enormous.

Dean Kirk is of the opinion, therefore, that the people of Saskatchewan would be well advised to make a beginning in the commercial production of alcohol and by-products to supply the domestic market, to experiment with its use as a power fuel, and to find out as much as possible about its manufacture and uses against the time when it may become as essential as gasoline is today. With the further development of new techniques, also, it is possible that the production of alcohol can be cheapened without entire plant renovations.

An alternative to an alcohol plant would be a plant for the manufacture of anti-freeze (butylene glycol). This is a more attractive proposition, assuming that the process, now in the pilot plant stage, turns out to be a success. Anti-freeze of the non-volatile type is an essential commodity and the annual consumption in Western Canada is estimated at 500,000 gallons. The retail prices charged before the war for such anti-freeze were from \$3.50 to \$3.75 a gallon and appear excessive in the light of probable manufacturing costs. A glycol plant capable of supplying 500,000 gallons annually would consume 500,000 bushels of wheat, and 375,000 gallons of alcohol would be produced as a by-product. The cost of such a plant would be between \$500,000 and \$750,000.

The Saskatchewan Wheat Pool has shown an active interest in the production of both alcohol and butylene glycol, and it is understood that this organization is seriously contemplating the erection of a plant in this province. In the opinion of the Council the Wheat Pool should be encouraged in this venture.

Synthetic Rubber

Synthetic rubber is a comparatively recent development and its production in Canada and the United States has centred around petroleum products rather than grain as the primary source material.

Despite the fact that plausible arguments have been advanced for the production of synthetic rubber from grain alcohol rather than from petroleum, this does not seem a feasible project for Saskatchewan at the present time.

The chief reason for this opinion is that there is now a fully equipped plant at Sarnia costing \$48,000,000 for the manufacture of rubber from petroleum with a capacity of 40,000 tons per annum. This is sufficient rubber to satisfy Canada's peace-time pre-war requirements. Furthermore, a generous policy of post-war international trade would suggest that Canada should purchase her supply of natural rubber from abroad.

Starch and Syrup

The main sources of commercial starch in Canada and the United States are corn, potatoes and wheat, in that order. The chief competitive advantage of a starch and syrup industry in Saskatchewan would be the immense saving on freight charges, which are considerable in relation to the value of the product. A plant in Saskatchewan designed to meet the requirements of the local market should have a good chance of success because it would be able to take advantage of the low freight rate on raw material and the high freight rate on starch and syrup moving from Ontario to this market. A plant making 25 tons of starch or syrup daily would use 50 tons of wheat a day and would cost approximately \$500,000. There is some reason to believe that, with irrigation, it might be possible to grow a sufficiently large potato crop to make either a starch or glucose factory feasible in certain areas.

Woollen Mills

The range wool produced in Western Canada has been found unsatisfactory for use in Eastern Canadian woollen mills, and it is reasonable to assume that it would prove no more satisfactory for local manufacture should woollen mills be established in this province. Thus the establishment of mills would have no effect upon prices paid producers of wool here.

However, the establishment of a woollen mill to operate on a custom basis is worthy of consideration. The most attractive feature of a woollen factory from an industrial standpoint is that it provides employment for a relatively large number of people in relation to the value of the manufactured product.

Vegetable Oils

In Dean Kirk's opinion the prospect in this field is not particularly hopeful at the present time. While flax seems well

adapted to virgin prairie soils it is subject to disease and does not combat weeds, which discourages its production. War-time demand has stimulated production, but Argentine competition in addition to the above factors makes its future doubtful.

The soy bean has not, as yet, been grown satisfactorily in any district in Saskatchewan, and processing in Canada has been mainly of United States beans. It seems improbable that a thriving industry could be carried on here.

Sunflower seed has been grown extensively for oil only during the past two years, and this has been made possible by the development of new varieties. Post-war production of oil seeds will depend on further improvement of varieties and better cultural methods.

Rape seed shows little promise to date of competing satisfactorily with any of the other oil seeds.

Generally, vegetable oils are produced in abundance in the tropical and semi-tropical zones and it is evident that to compete successfully Canada would require a crop ideally suited to her climatic and soil conditions. This objective can only be reached through intensified activity on the part of agronomists and plant breeders.

It is probable that small community plants, possibly organized on a co-operative basis, could compete favourably for a local market. This would be particularly true if the by-products of oil cake and meal could find a ready market in the province.

Flax Fibre

Fibre-flax is the basis of the linen industry and is also used extensively in the manufacture of cigarette paper. As yet, production of fibre has been experimental in Saskatchewan, but if such production were found to be economically feasible it is conceivable that mills could be established to do the preliminary processing of straw.

Fuel and Paper From Straw

A feasible method of treating straw to make it available for fuel in farm homes holds great appeal as a logical and desirable development. The processing of straw to form logs has been found practical and if a group of farmers were to purchase and install a machine to do this work, it would be entirely economical.

Of recent years there has been a much greater appreciation of the value of straw for maintaining the fertility of the soil and an increasing proportion is being used in this way. In view of this, it is reasonable to suggest that straw can be used to better advantage in this province for agricultural rather than industrial purposes.

Leather

From the standpoint of establishing a new enterprise in Saskatchewan, the leather industry is not at all promising. The local market is not large, and it is doubtful whether there would be any important saving on freight. With respect to providing employment, it should be noted the number of employees in relation to volume of business is not large.

Plastics

The manufacture of plastics is perhaps the least promising of all from the standpoint of industrial development in Saskatchewan. Cellulose for its manufacture will always be available from wood at a cost low in comparison with that of producing it from a cultivated crop such as cotton, or preparing it from straw or other wastes occurring in a grain-growing region. If such wastes are ever used it will have to be because of a desire to achieve a purely regional self-sufficiency, a policy that fits poorly into an economy depending primarily on world export of its major commodity, wheat. Investigation might well be made regarding the possible use of Saskatchewan woods for the manufacture of plastics.

Processing Surplus Horses

In some districts in Saskatchewan, notably the range lands in the south-west, the disposal of surplus horses is a growing problem. 200,000 of an estimated 500,000 surplus horses in the prairie provinces, are in Saskatchewan and using grazing lands badly needed for cattle.

At meetings held in Val Marie, Assiniboia, Shaunavon, Maple Creek and Swift Current, ranchers of that area sought some means of processing these animals advantageously to their owners. It was felt that prices of 1¼ cents to 1½ cents per pound offered by United States buyers and fur farmers were insufficient, and that a minimum price of 3 cents per pound could be realized if surplus animals were processed within the area.

It was pointed out that horses could yield the following products: hides, worth \$5.25 to the producer; horse hair at 75 cents per pound; green bone worth \$11.25 per ton; as well as other by-products. In Canada, horse meat cannot be processed for human consumption except as provided for under the Health of Animals Act, and must be done in a separate plant. There is one plant in Edmonton processing horses for fox meat, as well as one in Calgary and one in Winnipeg and some in Eastern Canada. It might be possible to interest some of these plants in our horses, although the horse owners of the south-west are more interested in starting a packing plant within the province.

It was hoped that the meat could be processed, either by canning or dehydration, for European consumption as soon as hostilities cease, or as soon as the United Nations drive the Nazis back from any section of occupied Europe. Horse meat is popular among certain European peoples, and if processing surplus Saskatchewan horses for this purpose proves feasible the product might well be supplied to those who express a preference for it.

One drawback to building a special packing plant, is that the industry is only temporary. It is not proposed to continue raising horses in that section of the country to keep the plant in operation after the disposal of the present surplus. It is generally agreed that grazing lands can much more profitably be used for raising cattle or sheep.

It appears to the Council that before encouraging such a venture every effort should be made to dispose of the horses either to existing packing plants in other parts of the Dominion, or to United States buyers.

A co-operative organization is being formed to deal with this problem of the disposal of surplus horses in the south-west and no doubt will canvass the whole question thoroughly to ensure the greatest return to horse owners.

Canning of Vegetables and Small Fruits

Moisture conditions in Saskatchewan, combined with a relatively short growing season have placed certain limitations on the growing of fruits and vegetables for commercial processing. Vegetable growing here has taken the form of market or individual gardening for the fresh vegetable market. There has been no production of small fruits beyond what could be absorbed by the fresh fruit market in Saskatchewan.

However, with irrigation a sufficient quantity of vegetables could be grown and sufficient stability of supply guaranteed to make the establishment of small canneries entirely feasible. It is unlikely at first, that large commercial canneries would be able to compete with well-established and well-advertised brands of canned goods now on the Canadian market but small domestic canneries or co-operative ventures should prove successful, and able to compete on the local market.

Many of these domestic canneries are operating with considerable success in the fruit-growing districts in British Columbia and one of the factors contributing to this success is the low cost of the equipment. F. E. Atkinson of the Summerland Experimental Station in British Columbia states that \$250 worth of equipment for example will handle 500 pounds of tomatoes per hour.

Individual growers or canners in a district could organize as a co-operative and canning equipment and marketing of the product could be handled by the co-operative association. Combined operations handled in this manner would make a good-sized business that should be able to compete successfully on any Saskatchewan market.

Dehydration of Fruits and Vegetables

Dehydration as a means of preserving surplus supplies of small fruits and vegetables has shown tremendous development in Canada since the outbreak of war, although no plants have been established in Saskatchewan. There are fourteen dehydration plants in the Dominion producing mainly for overseas markets. There are: one in Nova Scotia, two in New Brunswick, one in Prince Edward Island, one in Quebec, five in Ontario, one in Manitoba, one in Alberta and two in British Columbia.

If dehydrated products continue to grow in popularity during the post-war period, Saskatchewan could, in all probability, support a dehydration plant, especially if there is a development in irrigation.

Another possibility is to encourage vegetable growers and farmers to install small dehydrating units, which cost approximately \$25, for dehydration of their surplus stocks. What they do not consume themselves could be distributed to the consuming public through a producers' marketing association similar to that organized by the honey producers.

In General

These industries, which would use as their main source of raw materials, products grown or raised on the farms of Saskatchewan, are in the main untried but in some instances, for example, tanning, have been tried with disastrous results. Before any of them are undertaken or developed to any extent in the province, extensive technical research as to their feasibility, and economic research on the availability of markets and economic desirability will be required.

It is the opinion of the Council that financial encouragement should be given local enterprises where evidence shows that there is a good chance of their being self-liquidating.

There is also the possibility of developing certain industries that are not dependent upon farm products for their source of raw materials. These must be scrutinized with great care, because for the most part they would have to compete with industries of

a similar nature already well established in Canada or elsewhere. Both economic and technical research will be required before it can be stated definitely whether or not most of these are entirely feasible. This research could be conducted to advantage at the University of Saskatchewan laboratories.

Some of the other possible industries suggested as worthy of consideration follow.

Farm Implements and Machinery

Up to the present the manufacture of farm and other machinery has been chiefly confined to the province of Ontario, which in 1942 produced 96.7 per cent. of the total output. Total gross value of products amounted to \$44,678,078, of which \$19,060,420 represented farm machinery output. None of this was manufactured in Saskatchewan.

In 1941 estimates placed the value of farm implements on the farms in Saskatchewan at \$116,405,000, and this estimate is one of the lowest since the 1920's. Lack of purchasing power caused by drought and depression in the immediate pre-war years when machines were available, and lack of machines now when there is purchasing power, have caused an estimated back-log of fifty to seventy-five million dollars worth of farm machinery. When the war is over Saskatchewan will provide one of the greatest markets for farm machinery in the country.

The manufacture of machinery parts in this province does not appear feasible, as such manufacture requires extensive ore deposits and cheap power. However, there seems to be considerable scope for the establishment of assembly plants for farm implements and other machinery.

Canadian Co-operative Implements Ltd. presented a brief to the Council outlining a comprehensive plan for setting up assembly plants here. They claim that prices of tractors and other farm machinery are exorbitant and great savings can be effected for the farmer-purchaser by importing the parts and assembling them here. The Co-operative company has been incorporated with an authorized capital of \$1,000,000. By October 31, 1943, \$347,000 had been subscribed, of which approximately \$242,000 was paid in cash. The company is still in the organization stage, being unable to enter into business because of war priorities and other restrictive regulations.

They are of the opinion that war factories would be adaptable to this work and have petitioned the Saskatchewan government to ask the Federal authorities to grant such buildings as could be used for assembly plants to the Co-operative company free of charge.

Canadian Co-operative Implements Ltd. also asked to be made distributing agents for army machines and other equipment that can be converted to farm use. They are of the opinion that many military machines could be adapted to farm needs by minor adjustments in machinery repair shops. The great need for farm machinery could thus be partially filled with a minimum of delay.

These suggestions are certainly worthy of investigation as they might prove a fruitful source of new industry in this province, which might be of assistance to agriculture by cutting production costs, and could also lead to employment for many men.

Clothing Manufacture

The manufacture of clothing is one of Canada's leading industries and is centred in Ontario and Quebec at the present time. Cheap labour in Quebec, and cheap power in both provinces are advanced as the main reasons for this concentration, and it has been suggested to the Council that once cheap hydro power is developed in the province there is no reason why a clothing industry should not be established here to supply at least local markets.

In 1942 there were 775 establishments in Canada manufacturing women's clothing, with a gross production value of \$116,179,080. 455 of these were in Quebec, 261 in Ontario, 27 in Manitoba, 23 in British Columbia, 5 in Alberta, 3 in New Brunswick, and only 1 in Saskatchewan. The same year there were 410 establishments manufacturing men's clothing, with a gross production value of \$149,563,452. Quebec had 234 of these, Ontario 117, Manitoba 29, the Maritimes 10, British Columbia 13, Alberta 7, and Saskatchewan had none.

The development of a clothing industry would require large imports of raw materials, but these would be no larger than the present shipments of the finished clothing. With hydro development and the utilization of Saskatchewan lignite resources, it is possible that this industry might be feasible. It is worthy of investigation.

Fish Products

The production of fish in Saskatchewan's northern lakes is a fast-growing industry. Between 1932 and 1943 the value of Saskatchewan fish marketed rose from \$219,921 to \$1,070,293.

Unfortunately, however, the marketing of the prairie fish has not been as satisfactory either to international or inter-provincial trade as it might have been, largely due to the mixed quality of the fish placed on the market.

The fact that whitefish, our principal fish, has heretofore been offered to the public in its natural ruggedness, undressed and undrawn, "a scaly corpse" as so aptly described by one Prince Albert witness, has not contributed to its popularity in Eastern Canada or the United States.

It was suggested at Prince Albert that steps should be taken to establish plants for filleting the fish and packaging the fillets, placing them on the market in an attractive manner. The contention was that this fish would find a ready sale in the specialty markets of large United States cities if it were properly packaged and graded. With the improvement of transportation facilities, particularly aviation, throughout the north country, it could be brought out quickly and placed on the market without deterioration.

Filleting would eliminate the now uneconomical method of shipping the whole fish. There is a small filleting plant at Big River, but there is room for considerable expansion in this field. A filleting machine can produce 100 pounds of fillets from 208 pounds of uncut fish, and can handle fish at the rate of 50 per minute.

In addition to the establishment of plants for processing the edible portions of the fish and making them more readily marketable, a thorough investigation should be made to discover some economic use for the waste products for example, processing them into fish meal for fertilizer or protein feed for livestock. The possibility of obtaining fish oil from our lake fish should also be investigated.

The question of necessary research and survey work that must be carried on with regard to the northern lakes and the fisheries resources is being discussed under the "Natural Resources" section of this Report.

Rock Wool

An interesting new industry, the production of rock wool for insulation, is being established at Moose Jaw. Trial runs have been made at this plant, and it is estimated that it will be able to produce 19 tons of the rock wool daily once it gets into full production. The plant has a capital investment of \$15,000 and will employ from 20 to 25 men.

The necessary rock is reported abundant in the areas near the plant, and the only large item of expense for material is the importation of coke from Alberta coal fields, for melting the rock.

Rock wool production is comparatively new for Canada, having started in 1934. Production has grown from \$1,709 in that year to \$1,417,258 in 1942 but up to the present the manufacture of the product has been largely confined to Quebec and Ontario.

Rock wool is steadily gaining in favour as an insulating material because of its fireproof and non-absorbent qualities. With a large construction and housing programme in the reconstruction period, there should be little or no difficulty in finding a market for the product of the Saskatchewan plant.

Boot and Shoe Industry

Up to the present the production of leather footwear in Canada has been confined largely to the provinces of Quebec and Ontario. In 1943 there were 135 factories located in Quebec, 68 in Ontario, 7 in British Columbia, 5 in Manitoba, 4 in New Brunswick, 2 in Nova Scotia and 1 in Alberta. There was none in Saskatchewan.

Several presentations made to the Council urged establishing boot and shoe factories in this province, the argument being that Saskatchewan hides are now being sent out of the province for processing and manufacturing and the finished product shipped back.

The difficulties likely to be encountered in establishing a tanning industry to supply the material for boot and shoe factories are discussed in some detail by Dean Kirk in his presentation on "Industrial Utilization of Farm Products." Some of these difficulties, of course, would be overcome if factories were established to provide a ready market for the tanned hides.

There is one firm in Saskatoon that is contemplating the manufacture of boys' and youths' medium priced shoes. Priorities for the necessary machinery have been granted, and is not anticipated that there will be any difficulty in obtaining materials from tanneries in Winnipeg. This will not be a large-scale enterprise, as they only plan on producing 100 pairs of shoes per week at the start, and eventually reaching a production figure of 400 pairs a week.

Under efficient operation, such a small-scale plant might prove quite successful, but no large-scale factories can be anticipated until such time as power costs become cheaper and leather can be obtained locally.

Cleaning Compounds

There are substantial beds of volcanic ash in the Swift Current, Waldeck and Beverley districts. This ash possesses splendid abrasive qualities, and, it is claimed, can be used in the manufacture of a satisfactory cleaning compound similar to Dutch Cleanser and other well-known brands.

Some development along this line was attempted in the early 1930's in Swift Current, but owing to inadequate financial

backing the product did not stay on the market long enough to become established. Developing the industry co-operatively and marketing the product through consumers' co-operatives would be one means of overcoming this difficulty.

Conclusions

An examination of Dean Kirk's report, as well as other submissions regarding the establishment of industries in this province, has convinced the Council that, linked with irrigation and power development, the development of secondary industries in this province is to some extent entirely feasible. It is sufficiently so to justify the government taking active steps to foster this development, and the Council recommends that the government do so with every means at its disposal.

The Council also recommends that some Department of Government be instructed to set up an industries branch, particularly charged with the duty of obtaining the fullest information and statistics on the industries presently established in this province. This department or branch would also be expected to issue periodic bulletins on the growth or decline of the various industries and have accurate, up-to-date information at all times on the industrial situation in this province.

MEANS

As a general principle, it is submitted that it is not the function of the government to participate in business except under certain conditions.

These are first, where there is a universal, or almost universal demand for the commodity or service, as for instance in the field of telephones, public utilities, or the post office. Secondly, where it can be shown that the government can produce the commodity or render the service more economically than competitive private agencies. The postal services are again cited as the best example of this type of service. The third criterion that must be placed upon the government entry into the business field is the possibility of entry without the danger of political entanglements.

Apart from these three criteria, the Council is of the opinion that the primary function of government with regard to business or industry is to adopt and activate a policy of encouragement and removal of obstacles to its development. Where necessary government should furnish assistance in research and finance, creating industrial developmental opportunities which can be grasped by private enterprise, either individual, corporate, or co-operative.

The removal of such obstacles to industrial development as tariffs and high freight

rates is also a justifiable intrusion of government into the field of business, and it can help development, in the interest of the public, in what might be termed a negative fashion by controlling agreements that work in restraint of trade, and other similar practices.

There seems to be no provincial legislation dealing with this matter. In the case of *Proprietary Articles Trade Association v. Attorney-General for Canada* 1931, A.C. 310, it was held that this was a matter for Dominion legislation and the validity of the Combines Investigation Act, R.S. Can., (1927) ch. 26, was upheld as well as Section 498 of the Criminal Code of Canada dealing with restraint of trade. In a reference as to Section 498A. of the Criminal Code *Attorney-General for B.C. v. Attorney-General for Canada*, 1 D.L.R. 688, the Privy Council upheld the validity of that Section. Section 498A. prohibits discrimination in trade. The Combines Investigation Act and Sections 498 and 498A. of the Criminal Code should receive some mention.

1. *The Combines Investigation Act*, R.S.C. 1927, ch. 26.

This Act has been amended by ch. 54 of the Statutes of 1935 and ch. 23 of the Statutes of 1937. The definitions of "combine" and of "merger, trust or monopoly" were amended in 1935 to read as follows:

"2. In this Act, unless the context otherwise requires,

- (1) 'Combine' means a combination having relation to any commodity which may be the subject of trade or commerce, of two or more persons by way of actual or tacit contract, agreement or arrangement having or designed to have the effect of
 - (a) limiting facilities for transporting, producing, manufacturing, supplying, storing or dealing, or
 - (b) preventing, limiting or lessening manufacture or production, or
 - (c) fixing a common price or a resale price, or common rental, or a common cost of storage or transportation, or
 - (d) enhancing the price, rental or cost of article, rental, storage or transportation, or
 - (e) preventing or lessening competition in or substantially controlling within any particular area or district or generally, production, manufacture, purchase, barter, sale, storage, transportation, insurance or supply, or
 - (f) otherwise restraining or injuring trade or commerce, or a merger, trust or monopoly, which combination, merger, trust or monopoly has operated or is likely to operate to the detriment or against the interest of

the public, whether consumers, producers or others."

- "(4) 'Merger, trust or monopoly' means one or more persons
- (a) who has or have purchased, leased or otherwise acquired any control over or interest in the whole or part of the business of another; or
 - (b) who either substantially or completely control, throughout any particular area or district in Canada or throughout Canada the class or species of business in which he is or they are engaged;

and extends and applies only to the business of manufacturing, producing, transporting, purchasing, supplying, storing or dealing in commodities which may be the subject of trade or commerce: provided that this subsection shall not be construed or applied so as to limit or impair any right or interest derived under The Patent Act, 1935, or under any other statute of Canada."

Section 32 of the Act as found in the Revised Statutes of 1927 provides as follows:

"32. Every one is guilty of an indictable offence and liable to a penalty not exceeding ten thousand dollars or to two years imprisonment, or if a corporation to a penalty not exceeding twenty-five thousand dollars, who is a party or privy to or knowingly assists in the formation or operation of a combine within the meaning of this Act.

"2. No prosecution for any offence under this Section shall be commenced, otherwise than at the instance of the Solicitor General of Canada or of the Attorney General of a province. 1923, c. 9, s. 26."

It seems probable, from a reading of the entire legislation, that the intention of Parliament was that the proprietor of a monopoly, even though a single person, should be punishable under Section 32.

The amendments of 1937 provide for the appointment of a Commissioner of the Combines Investigation Act, whose duties are to investigate alleged combines. Provision is made for appointment of a staff of technical and other assistants to the Commissioner. Provision is also made for appointment of one or more special Commissioners by the Governor in Council for the purpose of investigating any alleged combine indicated in the Order-in-Council.

Section 11 of the Act provides that any six persons, being adult British subjects and resident in Canada, who are of the opinion that a combine exists, may apply in writing to the Commissioner for an investigation of such alleged combine. They must place before the Commissioner the evidence on which such application is based

in the form of a Statutory Declaration setting forth such evidence. Section 12 provides that the Commissioner shall on an application being made under Section 11 or on direction by the minister cause such inquiry to be made with respect to the said alleged combine as he shall deem necessary with a view to determining whether a combine exists or is being formed. The Commissioner makes a report to the Minister of Labour showing the inquiry made, the information obtained, and his conclusions, and on the written request of the applicants or on his own motion, the minister may review the decision of the Commissioner and instruct the Commissioner to make further investigation. All preliminary investigations must be conducted in private, but the Commissioner may order all or any portion of any subsequent proceedings to be conducted in public.

Sections 16 and 17 of the Act as amended in 1935 give the Commissioner power to enter the premises and examine the books, papers and records of any person believed by the Commissioner to be a member of any combine. The Commissioner is given full power to summon witnesses and hear evidence under oath and require the production of documents, but provision is made that any order with respect thereto cannot be enforced except upon application to either the President of the Exchequer Court or the Chief Commissioner of the Dominion Trade and Industry Commission where such Chief Commissioner is a barrister of at least ten years standing.

The Commissioner is required to make a report to the Minister of Labour and where the report is a final one such report is to be published except where the Commissioner states in writing that he believes it is in the public interest to withhold publication, in which event the minister decides whether the report is to be published in whole or in part. Section 31 of the Act as amended in 1937 provides that whenever in the opinion of the Commissioner an offence has been committed against any of the provisions of the Act the Commissioner may remit to the Attorney General of any province within which such alleged offence shall have been committed for such action as such Attorney General may be pleased to institute, the return made under the Act together with the evidence taken on any investigation made by the Commissioner. If no action is taken by the Attorney General of the province within three months, then the Attorney General of Canada may on the relation of any person resident in Canada permit an Information to be laid against such person or persons as in the opinion of the Attorney General shall have been guilty of an offence under the Act.

2. Sections 498 and 498A of the Criminal Code.

"498. Combinations to limit transportation facilities to restrain commerce to lessen manufacturing and competition.

"Every one is guilty of an indictable offence and liable to a penalty not exceeding four thousand dollars and not less than two hundred dollars, or to two years' imprisonment, or, if a corporation, is liable to a penalty not exceeding ten thousand dollars, and not less than one thousand dollars, who conspires, combines, agrees or arranges with any other person, or with any railway, steamship, steamboat or transportation company:

- (a) to unduly limit the facilities for transporting, producing, manufacturing, supplying, storing or dealing in any article or commodity which may be a subject of trade or commerce; or
- (b) to restrain or injure trade or commerce in relation to any such article or commodity; or
- (c) to unduly prevent, limit, or lessen the manufacture or production, of any such article or commodity, or to unreasonably enhance the price thereof; or
- (d) to unduly prevent or lessen competition in the production, manufacture, purchase, barter, sale, transportation or supply of any such article or commodity, or in the price of insurance upon person or property.

"Nothing in this Section shall be construed to apply to combinations of workmen or employees for their own reasonable protection as such workmen or employees."

"498A. (1) Every person engaged in trade or commerce of industry is guilty of an indictable offence and liable to a penalty not exceeding one thousand dollars or to one month's imprisonment, or, if a corporation, to a penalty not exceeding five thousand dollars, who

- (a) is a party or privy to, or assists in any transaction of sale which discriminates, to his knowledge, against competitors of the purchaser in that any discount, rebate or allowance is granted to the purchaser over and above any discount, rebate or allowance available at the time of such transaction to the aforesaid competitors in respect of a sale of goods of like quality and quantity;

"The provision of this paragraph shall not, however, prevent a co-operative society returning to producers or consumers, or a co-operative wholesale society returning to its constituent retail members, the whole or any part of the net surplus in its trading operations in proportion to purchases made from or sales to the society;

- (b) engages in a policy of selling goods in any area of Canada at prices lower than those exacted by such seller elsewhere in Canada, for the purpose of destroying competition or eliminating a competitor in such part of Canada;

- (c) engages in a policy of selling goods at prices unreasonably low for the purpose of destroying competition or eliminating a competitor."

The Council is inclined to the opinion that these statutory provisions are reasonably adequate for the control of monopolistic tendencies in business but has insufficient evidence from which to draw any conclusion regarding the effectiveness of enforcement. While this legislative field is beyond the constitutional powers of the province, it is believed nevertheless that all agencies of government should be vigilant in the control of unwholesome monopolies or other arrangements which operate in restraint of trade.

Brief comment should be made concerning taxation as a medium of control. The Council is absolutely opposed to the taxation of business as such whether the business be that of farming, trading or manufacturing. Taxation aimed specifically at any business may paralyze or destroy rather than control and the results may be harmful to the people as a whole. The tax which not only seems fairest and which can also be used as a medium for the redistribution of income is the progressive income tax, but there seems no good reason why the proprietors of any type of business venture should be singled out. There would seem to be more reason for singling out income of the non-productive type if especially heavy burdens are to be put upon any particular persons. It is considered that the provisions of The Corporations Taxation Act of this province might well be reviewed in the light of these observations.

While emphatic in the belief that business as such should not be especially taxed the Council approves in principle of the provisions of the Excess Profits Tax Act (Dominion). It is really complementary to the progressive income tax. Such tax legislation may assist in the control of business but should not be so drastic as to paralyze efficiency and enterprise.

Statements are frequently heard to the effect that society is prejudiced through the rights given by law to inventors or their assignees under patents. This matter is given to the Dominion Parliament under the British North America Act and the patent legislation was amended and consolidated by chapter 32 of the Statutes of Canada for 1935. Under Section 48 of the Act the term of every patent applied for after the Section came into force is 17 years from the date on which the patent is granted and issued. The term for patents issued or applied for before the Section came into force is 18 years.

Section 65 of the Act provides that the Attorney General of Canada or any person interested may at any time after the expiration of three years from the date of a grant of a patent apply to the Commissioner alleging that there has been an

abuse of the exclusive rights thereunder and asking for relief. The Section sets out six circumstances which are to be deemed to amount to an abuse of the exclusive rights under a patent, which are briefly as follows:

1. Not working the patented invention in Canada on a commercial scale without satisfactory reason.
2. Preventing or hindering the working of the invention in Canada on a commercial scale by importation thereof from abroad.
3. Not meeting the demand in Canada adequately and on reasonable terms.
4. Prejudice to the trade in Canada by refusal to grant a licence or licences upon reasonable terms.
5. Prejudice by reason of the conditions attached by the patentee to licences for the use thereof.
6. Prejudice in other respects.

It is declared in the Section that patents for new inventions are granted not only to encourage invention but to secure that new inventions shall so far as possible be worked on a commercial scale in Canada without undue delay.

In Section 66 the Commissioner of Patents is given certain powers to be exercised as he may deem expedient in the circumstances where he is satisfied that there has been an abuse of the exclusive rights under a patent. These powers are too lengthy to be commented on here but they include the granting of compulsory licences to work the patents, which licences may be exclusive. The patent may also be revoked if the objects of Sections 65 and 66 cannot in his opinion be otherwise attained.

Section 67 sets out the terms and conditions of the order for a licence issued by the Commissioner. In dealing with the amount of the royalty to be provided for in the licence the Section provides that due regard shall be had to the risk undertaken by the licensee in providing the capital and working the invention, but, subject thereto, the licence shall be so framed as—

- (a) to secure to the patentee the maximum royalty compatible with the licensee working the invention within Canada on a commercial scale and at a reasonable profit;
- (b) to guarantee to the patentee a minimum yearly sum by way of royalty, if and so far as it is reasonable so to do, having regard to the capital requisite for the proper working of the invention and all the circumstances of the case;

Provision is made in Section 71 for an appeal from all orders and decisions of the Commissioner of Patents to the Exchequer Court.

Only one reported case has been found of an application for the grant of a compulsory licence, which case came before the Commissioner of Patents in 1941 and is reported in Fox's Patent Cases, Volume 2 at p. 156. In that case a non-exclusive licence was granted for the manufacture of a machine for manufacturing corner mounts for attaching photographs. The licensee was not permitted to import the patented articles into Canada but he was to be allowed to work the patents in Canada if he wished. The royalties were set by the Commissioner on both the machine and on the wholesale price of the corner mounts.

While the Council cannot point to specific instances of abuse consequent to the granting and ownership of patents, there is a general feeling that the patent legislation should be overhauled so as to give the government more effective control in the interests of the public. Due regard must of course be paid to the possible stimulation of invention.

Research

But aside from these protective measures, and still short of public operation, government agencies can be of great assistance. More specifically, government can aid the establishment and development, particularly of new industries, by providing adequate and suitable research facilities in both technical and economic fields. As an example, research concerning insulating materials should be fostered at the University of Saskatchewan.

It is becoming more and more apparent that greater research facilities, particularly in the field of chemurgy are necessary for the prairie region, and the Council strongly recommends that every effort be made to have a Prairie Branch of the National Research Council established in Saskatchewan, complete with laboratory facilities.

The special duty of such a Prairie Research Laboratory would be to investigate the industrial utilization of farm products with particular attention to the feasibility of developing actual industrial production in this area. The Council feels that Saskatchewan is the logical place for such a laboratory as it is central for the entire prairie region, and the most typical prairie conditions are evident here.

Research carried on in the proposed laboratory should be carefully co-ordinated with all other research throughout the country, particularly in the agricultural field. At present in Canada, agricultural research is being conducted in 8 colleges, 30 experimental farms, 60 sub-stations, and 185 illustration stations.

The way was paved for the establishment of a full-time laboratory in 1941 when the National Research Council started an oil

seeds laboratory at the University of Saskatchewan. This has proven its worth but is too small for the work to be done in the future.

In addition, private industrial research laboratories should be encouraged at all times. A great many valuable discoveries in the industrial field have been made in private laboratories. The Government laboratory should co-operate fully with research branches of private industry and if possible, their work should be co-ordinated.

When it has been determined that projected industries are scientifically and economically feasible, the Industrial Bank or some other government agency for providing self-liquidating credits should give every encouragement and assistance to new industries.

Finance

It was brought to the Council's attention very forcibly by the M. and C. Aviation Company at the Prince Albert hearings that certain companies that started operations during the depressed years immediately prior to the war will be labouring under a great disability in the matter of post-war expansion.

This particular company started operations as an aviation company in 1931, with two partners, Mr. R. Mayson and the late A. M. Campbell, who undertook "barn-storming" with two antiquated planes. They gradually built up their equipment and staff to five planes and 12 men at the outbreak of war and were operating quite extensively through the northern part of Saskatchewan as bush flyers on mercy flights, fire patrol work, etc. In 1931 when the Company began business it had no cash assets and no outside capital was obtainable to assist in operations and expansion. The executive determined to remain independent of large corporations and continued their pioneer work, increasing their capital by applying a large portion of their own salaries toward purchasing additional capital stock and thus liquidating any current liability.

With the outbreak of war, Mr. Mayson related, the Company volunteered to aid in the overhauling and refitting of trainer aircraft for the Commonwealth Air Training Plan. The Dominion Government supplied necessary machinery and equipment, and refitted the buildings to house it. This equipment remains the property of the Dominion Government and will be turned back to it at the termination of the contract. Approximately 600 men and women are employed in the plant at the present time.

It was explained that the excess profits tax and Government policy with respect to war-time profits were working a distinct

hardship on small companies such as the M. & C. They cannot, on a net profit of less than 1 per cent., build up any reserve to retool, or purchase machinery to replace the Dominion Government equipment, or even to replace their now outmoded aircraft. Other companies that were well-established prior to the war are in a somewhat better condition.

Mr. Mayson requested that companies such as his be given the opportunity of obtaining this equipment and machinery at what he termed "a nominal sum" upon proof to the Dominion Government that it would be put to good use. Given the opportunity to continue using this equipment, he declared that he could guarantee that every one of the present employees, plus the men who have enlisted in the armed services, would be given full employment. This would mean a staff of somewhat over 600 and a monthly payroll of approximately \$75,000.

In the alternative, Mr. Mayson requested that aviation companies be specifically included among the enterprises to be given assistance by the new Industrial Bank, and be permitted to use this equipment and pay for it over a long term at low rates.

It is the Council's opinion that the type of enterprise and initiative shown by Mr. Mayson and his associates should be encouraged as much as possible. Certainly his firm and similar firms should be aided by loans from the Industrial Bank.

The Prince Albert Branch of the Canadian Manufacturers Association, as well as the Association itself, both made the same point with regard to the great difficulty private industry is finding in building up reserves for post-war retooling or expansion under the war-time taxation programmes. The Council believes that this can be mitigated to a large extent by the provision of credits through the Industrial Bank, and through what appears to be the policy of the Dominion Government to encourage the decentralization of industry.

The Council believes that the Provincial authorities should co-operate in every way possible with the Federal Department to ensure that the fullest use is made of the Industrial Bank as a means of aiding the financing of industries in this province. If it is found, or where it is found, that the Industrial Bank proves inadequate for the purpose, the Council recommends that the Provincial Department of Reconstruction be empowered to issue credits.

In addition, co-operative enterprises should be eligible to receive assistance from the Industrial Bank or from the Provincial Department of Reconstruction where they can show that their projected enterprise is feasible.

Some department of the Provincial Government should be placed in a position to

give advice to prospective industrialists as to the best locations for their industries, the chances of success, possible labour supplies, raw material supplies, power supplies, etc. It should be constituted for the purpose of continually studying ways and means of expanding Saskatchewan industries and keeping informed on current developments in other countries with similar conditions. Such a task could well be undertaken by a branch of the Department of Reconstruction.

Freight Rates

Transportation costs constitute a major consideration of industrial development in Saskatchewan as elsewhere. Raw materials and supplies must be transported to the plant, and finished products including by-products must be moved to consuming areas. The more highly centralized a particular type of production, the wider the areas of concentration and dispersion. Bulky, perishable products may be costly to move. The extent to which industrial processing reduces the bulk of a commodity, and reduces (or increases) its perishability has an important bearing on the location of particular industries, other things being equal. Basic and inescapable geographic factors place Saskatchewan under a permanent handicap of heavy transportation costs. Climate and soil resources, however, have given Saskatchewan producers such advantages in the production of wheat and certain other products that they have been able for considerable periods of time to shoulder the transportation burden involved. Self-sufficiency would obviate the need for the transportation of goods, but Saskatchewan's advantage in the production of certain products, particularly agricultural products, is so great that no conceivable modification of the Canadian freight rate structure would make any high degree of self-sufficiency advantageous for this province.

Freight rate schedules are infinitely complex and are subject to constant change. To forecast the specific effect of freight rates upon any prospective western industry would perhaps be impossible. To generalize on the effect of freight schedules on western industry as compared with eastern industry is difficult. Particular indices can be set down, however, and some general statements can be made.

The historical factor is important in the Canadian freight rate structure. The original railway built through the Canadian west was designed to create a new nation. Negatively, the problem was to prevent American occupation of the Canadian plains, and to prevent the trade of these plains from flowing to the United States. Positively, the problem was to develop the Canadian west and ensure that that development be tied to the central Canadian provinces instead of to the States.

Canadian tariff policy after 1879 was designed to discourage Canadians from trading in non-Canadian markets. Provision of an all-Canadian transcontinental railway, the Canadian Pacific, was to make such trading unnecessary.

Part of the continuing design of Canadian federation, therefore, has been that the economic development of the western regions should be tributary to the central provinces. Other considerations have been that such development should be as rapid as possible and complementary instead of competitive to eastern development. This offers an important clue to the Canadian freight rate structure. It suggests that this structure of rates was designed to encourage the settlement of the west and the production there of raw materials and foodstuffs for eastern industry and the export market. It suggests that Canadian freight rates were not designed to encourage development in the west of industries similar to those existing in the east. These suggestions are borne out by Canadian freight rate relationships.

Canadian Freight Rate Structure

A brief outline of the Canadian freight rate structure requires attention to the following:

- (a) Class rates
- (b) Commodity rates
- (c) Town tariffs and distributing rates, and
- (d) Statutory rates, notably the Crow's Nest Pass Agreement rates.

Consideration of these in turn will indicate their implications for western industry.

Standard Mileage Tariffs

Class Rates

For class-rate purposes, commodities are grouped into classes with different rates applying to commodities in each class. The Canadian classification lists ten classes of goods although, in effect, nine or ten additional classes exist since various goods are subject to multiples of first class rates.

A single freight classification applies to commodities throughout Canada. Class rates, however, are not uniform from coast to coast. Standard freight class tariffs specify the maximum mileage rates for each class of goods in particular sections of the country. For Canada there are four of these standard tariffs: the Eastern Standard Mileage Tariff, applying from Sudbury east; one from Sudbury to Port Arthur; the Prairie Standard Mileage Tariff from Port Arthur to the Crow's Nest; and the Pacific Standard Mileage Tariff.

The class rate structure on the Prairies is partly above and partly below that in eastern Canada. The Pacific Standard Mileage Tariff is 125 per cent. of that of the Prairies. In general terms the Prairie rates for classes above sixth are higher than those in the east, while below sixth class they are lower. The following quotation from the Rowell-Sirois Report (Book II, p. 197) indicates something of the relationship between the class rate structures in various parts of Canada.

"The relation between the standard rates, first class, 400 miles distance, at present is: Central (Ontario and Quebec) basic; Maritime 20 percent under; Prairie 26 percent above; British Columbia 46 percent above. For fifth class freight: Central basic; Maritimes 20 percent under; Prairies 14 percent above; British Columbia 32 percent above."

Standard rates, tenth class, for 400 miles distance bear the following relationship: Central, basic; Maritime, 18 per cent. under; Prairie 16 per cent. under; Pacific, basic.

Rates between eastern and western Canada are held down by water competition. In general the class rates are made up of two parts, the rate to lakehead (Fort William-Port Arthur) plus "terminal" rates, or the rates westward beyond. The rates from the east to lakehead are from a blanketed zone stretching from Windsor to Montreal. From all points in this zone to lakehead the rates are the same, and they are "arbitraries" or reduced rates, as low as one-half of the regular mileage rates. To these rates to lakehead are added the "terminal" rates, or the regular class rates from Fort William-Port Arthur to the western destination. Terminal rates too, however, are reduced rates, in that they are based on a "constructive" mileage between Fort William and Winnipeg. Mileage between these points is 419, while rates are based on an assumed mileage of 290. West of Winnipeg the actual mileage is counted. These rates are "between" rates: that is, they apply equally to movements in both directions. As in all phases of freight movement, so in that between eastern and western Canada, a great proportion of the traffic moves on specific commodity rates, described below.

Commodity Rates

Commodity rates are especially low rates applying to particular movements of particular commodities. Such rates apply to carload movements of staple products such as coal, lumber, grain, ore, livestock, canned goods, sugar, meats, vegetables, etc. Estimates are that in Canada three-fourths of the freight traffic moves on commodity rates, though freight revenues would not, of course, be divided in the same proportions since goods carried on non-commodity rates bear higher rates. Since commodity

rates apply to specific movements of specific goods it follows that a product may move in a commodity rate in one section of the country and not in another. Or a product might have a particularly favourable commodity rate for one specific movement and a less favourable commodity rate for another movement. Evidence on this point will be brought out later.

Town Tariffs and Distributing Tariffs

Another important feature of the Canadian freight rate structure concerns what are known as "Town Tariffs" or in the West "Distributing Tariffs". Rates under such tariffs are below standard mileage class rates and essentially apply to the merchandising business whereby a large town or a city serves as a wholesaling centre for surrounding towns, villages and hamlets. On the outgoing side the rates are wholesaler's or "distributing" rates. If they apply on incoming traffic they will be used for the assembly of produce from outlying parts into central markets. Clearly centres designated as town tariff or distributing rate centres and securing low rates accordingly are favoured to that extent over localities not so designated.

In eastern Canada the special rates of this general type are known as "town tariffs" while in western Canada they are known as "distributing" rates. The distinction between the two constitutes one of the essential differences between the freight-rate structures of eastern and western Canada. This distinction must be made clear.

First, town tariffs are "between" rates. That is they apply in both directions between towns listed in the schedule. The rates therefore are applicable not only to the distributing or wholesaling business of the designated localities, but also to the assembly business, to the gathering together of farm produce for consumption or processing. Second, town tariffs act as maximum rates for points lying between town-tariff centres. The so-called "long-and-short-haul" principle, incorporated in the Canada Railway Act, specifies that rates shall not be higher for part of a haul than for a whole haul unless the Board of Transport Commissioners permits it due to competitive conditions. Thus town-tariff rates rather than standard mileage rates become the maximum rates between points on railway lines running between town-tariff centres though such points may not be town-tariff centres. Since in Ontario, for example, approximately seventy places are town-tariff centres it can be seen that the whole rate structure in the central provinces is held below that outlined in the standard mileage tariff.

In contrast, the distributing rates of Western Canada are "from" instead of "between" rates, and are higher than east-

ern town tariffs. Set at 85 per cent. of standard mileage rates, they apply to the movement of merchandise away from specified wholesaling centres, a total of thirty odd in the four western provinces, a dozen being in Saskatchewan. Related as they are to standard mileage rates they are on a mileage basis and constitute a specific reduction from standard rates for traffic moving outward from the distributing centre. They do not affect the rates on produce being assembled by the wholesaling centre from surrounding points.

Distributing rates (Prairie) are partly higher and partly lower than town tariffs (Eastern) as indicated by the following relationships. First class distributing rates for 100 miles are ten per cent. above the corresponding town tariff; for 400 miles, forty-two per cent. above. Fifth class distributing rates are six per cent. above the corresponding town tariff; for 400 miles, twenty-eight per cent. Tenth class distributive rates are eighteen per cent. below the corresponding town tariff, and for 400 miles, six per cent. below.

Truck competition has borne with particular force upon the freight traffic covered by town tariffs in the east and distributing tariffs in the west. Railways have countered by improved service by reducing carload minima and by the establishment of "Pick up and Delivery", competitive-point, and "reduction-tariff" rates. In spite of these modifications, town tariffs in the east and distributing rates in the west maintain the distinctive characteristics outlined above.

Statutory Rates:

The Crow's Nest Pass Agreement

Rates on grain and flour in Canada may be considered commodity rates. They are also statutory rates, their maximum established by enactment of the Federal Government.

Under the Crow's Nest Pass Agreement⁽¹⁾ of 1897 the C.P.R., in return for a subsidy for construction of a line through the Crow's Nest Pass, agreed to lower specific rates as follows: On grain and flour moving eastward to Fort William and beyond, 3 cents per hundred pounds; on certain merchandise moving westward from Fort William and beyond, as follows: green and fresh fruits 33½ per cent.; coal oil 20 per cent.; cordage and binder twine, agricultural implements, certain types of iron, wire, window glass, building and roofing felt and paper, paints and oils, livestock, wooden ware and house-hold furniture, all 10 per cent. The dual purpose envisaged by the agreement is clear; that of stimulating Prairie exports of grain on

the one hand, and of encouraging the importation by settlers of farm equipment, housing and livestock on the other.

These were maximum rates and were necessarily accepted by the other railways constructed on the Prairies after 1900. On the other hand, other factors⁽¹⁾ worked to lower rates in general after 1897 so that for twenty years the Crow's Nest rates were generally above actual rates. Not till Canadian rates were increased by Orders-in-Council of 1917 and 1918 were Crow's Nest Pass rates equalled and exceeded.⁽²⁾ By Order-in-Council of July 27, 1918, the Crow's Nest Pass Agreement was suspended, and in 1919 Parliament confirmed the suspension for three years. As a compromise in 1922 between the railways wishing final abrogation of the Crow's Nest Pass Agreement and western interests demanding its restoration, the Dominion Government restored the Crow's Nest maximum on eastbound grain and flour, effective from June 27, 1925, and in effect abrogated the provisions of the agreement insofar as other commodities were concerned. In 1927 the Crow's Nest Pass rates on grain and flour were applied to export movements via Vancouver.

Rates established on grain under the Crow's Nest Pass Agreement are favourable to prairie agriculture, to the grain trade, and to the Canadian economy generally. Such rates are below American rates for similar movements.⁽³⁾ The claim made at times⁽⁴⁾ that these rates are below cost and that western grain is being carried at the expense of the rest of the economy can neither be established nor denied since it is impossible to determine the cost of moving grain or of any other specific commodity.

The long-run tendency has been toward a reduction in the original inequalities between the rate structure of eastern and western Canada. Those which still exist have been noted above. It remains to suggest the influence of these differences on western industrial prospects.

The industrial need for transportation services resolves itself into the following:

- (1) Note particularly the "Manitoba Agreement" between the Manitoba Government and the Canadian Northern Railway Company, 1901. See W. T. Jackman, *Economic Principles of Transportation* (Toronto, 1935), pp. 247-8.
- (2) *Ibid.*, 257-65.
- (3) See R. A. C. Henry, *Railway Freight Rates in Canada, a Study Prepared for the Royal Commission on Dominion-Provincial Relations* (Ottawa, 1939), Schedules 34-35, pp. 283-4.
- (4) See for example reference to Premier Hepburn's argument before the Rowell-Sirois Committee, Report of the Royal Commission on Dominion-Provincial Relations, Book II., p. 190.

(1) Statutes of Canada, 60-61, Vic. (1897), c. 5.

(1) the need to assemble raw materials and supplies, (2) the need to distribute the finished product, and (3) the need to distribute whatever by-products there may be. Prairie industries have these transportation needs, some involving reliance on local rates and some on long-distance, even export rates. Generally speaking the assembly of raw materials and supplies for prairie industries involves local rates. The distribution of the finished product in some cases may involve local rates only; in others long-distance rates may be more important. The question whether the movement is local or long-distance may be important in particular cases, for, as we have seen, the rate structure in the east differs from that in the west. The class rate structure between the east and the west applies equally to traffic moving in either direction, but commodity rates may apply in only one direction.

Considering first the assembly of raw materials and supplies, this movement involves chiefly rates within the prairie region. Existing prairie industries rely to a high degree on local sources of supply; for example milling, meat packing, egg drying, and clay products production. In the expansion of existing industries or the establishment of new ones local sources of supply will continue predominant.

For such assembly movements the class rate structure suggests that prairie industry might have a slight advantage over eastern industry. Classes 8, 9, and 10 apply to such commodities as cereals, potatoes and vegetables; livestock; and products of the forest, the mine and the quarry. In western Canada the standard mileage rates for these classes are as low or lower than they are in eastern Canada.

Two points require mention, however. First, assembly of raw materials and supplies falls within the scope of town tariffs in eastern Canada since, as we have noted, such tariffs apply to "to" as well as "from" traffic; while in western Canada the assembly movement does not fall within the scope of the distributing rate structure since such rates apply only to "from" traffic. Thus the relevant comparison really is between eastern town tariff rates and western standard mileage rates. That is, so far as the assembly of raw materials and supplies moves on class rates, in western Canada the highest level of such rates would apply while in eastern Canada the lower town-tariff rates would apply.

Second, much of the low grade produce comprised in raw materials and supplies moves on commodity rates, that is specific rates applying to particular movements of particular commodities. Comparison of commodity rates must be made item by item and is beyond the scope of this Report. However, evidence recorded in the Saskatchewan brief to the Rowell-Sirois Commission is informative. There, it is pointed

out, (1) that commodity rates are much more numerous in the east than in the west. Also, in comparison of rates applicable to various movements of a number of commodities, east and west, the contrasts in the following table (2) are brought out:

Commodity	Percentage of excess of western rates over eastern rates
Lumber	46—70%
Cement	20—30%
Iron and Steel	32—69%
Petroleum Products	35% approx.
Salt	30%

On paper for building roofing, sheathing and wrapping the Saskatchewan Submission states that the eastern commodity rates applicable for various movements are from 41 to 54 per cent. below the Eastern Standard mileage scale, while the western rates are only 15 per cent. below the Western Standard mileage rates.

Prairie industry, therefore, is handicapped on the assembly side, in comparison with eastern industry, because of two factors: because prairie distributing rates do not apply to the assembly movement as town tariffs do in the east; and because commodity rates are more numerous in eastern than western Canada.

Turning to consider the distribution of products and of by-products certain general points can be made. First, products to be distributed in the western provinces: here the bulk of the movement must be on class rates, for the most part fifth or higher. Here distributing rates will apply, provided the industry is situated in a recognized distributing centre. Being able to take advantage of distributing rates, western industries are, or would be, more nearly on equal terms with eastern industry than without such advantages. Eastern industries may distribute locally on town tariffs. Western distributing rates, however, particularly on the higher classes of merchandise, are higher than are the corresponding eastern town tariffs. For example, in the Saskatchewan Submission data are given (3) on movements of canned goods for various specific mileages ranging from 766 to 929 in eastern and western Canada. On these movements the western rates were above the eastern rates by from 60 to 87 per cent. The following table from the Saskatchewan Submission indicates the comparative rate structure for specific products of agricultural processing and storage plants. Dressed Poultry, Fresh Meats, Butter, Eggs, Cheese and Packing House Products, carloads and less than carloads (C.L. and L.C.L.)

(1) A submission by the Government of Saskatchewan to the Royal Commission on Dominion-Provincial Relations (Regina, 1937). pp. 216-20.

(2) Table adapted from Ibid.

(3) Ibid.

Ratings Canadian Classification

	Less Carloads (L.C.L.)	Carloads (C.L.)
Butter	2	3
Cheese	3	4
Eggs	2	4
Dressed Poultry	1	3
Fresh Meats	1	4
Packing House Products.....	--	5

	Miles	Dressed Poultry Fresh Meats L.C.L.	Eggs Butter L.C.L.	Cheese L.C.L. Butter C.L. Poultry C.L.	Eggs Cheese Meats C.L.	Packing House Products C.L.
		1	2	3	4	5
East	100	54	47	41½	34½	27½
West		60	50	39	30	29
East	150	65	58	49	41½	32
West		77	65	51	39	35
East	200	68	59½	52½	43	34½
West		89	74	59	45	39
East	300	79	70½	59½	50	41½
West		110	92	72	56	48
East	400	94	83	70½	59½	47
West		134	113	90	68	60
East	500	108	95½	81½	68	54
West		155	129	104	78	71
East	570	108	95½	81½	68	54
West		170	141	114	86	77

Tariff C.P.R. No. W. 490, C.R.C. No. W. 3166.

So far as western industries require to move their finished products and by-products into eastern markets they find that either regular class rates or commodity rates apply to particular movements. If the class rates are applicable, western industry pays the same as eastern industry. As we have seen, class rates between eastern and western Canada apply equally in both directions. To some movements commodity rates apply, and here the rates are for specific movements, and ordinarily in only one direction. Here no generalization is possible, except perhaps that the commodity rate structure has been designed partly to foster the movement eastward of great volumes of western raw materials. Eastern movements of processed goods, however, also have commodity ratings, for example flour, packing house products and butter. Flour-milling is carried on under milling-in-transit privileges where the miller gets the advantage of the long-haul export rate not only on the flour movement but also on the wheat movement. Butter is assembled in the west under in-transit storage privileges for eastern movement,

the through rate applying to the entire distance.

These remarks concerning the freight rate structure are by no means put forward as an exhaustive study of the subject. They are suggestive, however, of the suspicion that existing rates may not be conducive to the decentralization of industry in Canada through a moderate development in the prairie region.

Conclusion

It is the opinion of the Council that some development of secondary industries in the province is feasible, especially if linked with irrigation and power projects. It is submitted, however, that no specific recommendation can be made regarding the feasibility of the further development or future expansion of any particular industry until such time as natural resources, power supplies, the tariff policy and the freight rate structure have undergone careful and complete investigation. The Council is of the opinion that investigation of these factors should be undertaken at once.

RECOMMENDATIONS

1. That a commission or advisory committee be set up to make a special study of the tax structure of both Canada and Saskatchewan, to ascertain what effect it may have on industrial development in this province. The Council wholeheartedly endorses the contention made by the Rowell-Sirois Commission in 1940 that taxation on business "as such" should be completely removed. However, it maintains that income earned in any province should be taxable in that province, regardless where the head-office of the particular company earning the income may be located, or that in the alternative the fiscal provisions of the Sirois Report be implemented.
2. That the province make all possible efforts to secure the abolition of protection tariffs. The Council believes that a policy of low tariffs serves, in the long run, to make a better integrated economy and for more stable industries, both primary and secondary.
3. That the Dominion authorities be approached with a view to an early examination of the freight rate structure. The present structure does not seem conducive to industrial development in the prairie region.
4. That extensive surveys be undertaken to determine the extent of the Province's natural resources. The recommendations regarding such surveys are more fully discussed in the Part dealing with "Natural Resources".
5. That financial assistance in the form of long-term credits be made available to those prospective industrialists who can show that their projected enterprise is feasible. If the Industrial Bank is found to be inadequate the Council recommends that the Department of Reconstruction be empowered to issue credits.
6. That every effort be made to have a Prairie Branch of the National Research Council established in the prairies, if possible in Saskatchewan.
7. That immediate steps be taken by the government to investigate the development of cheap power from hydro, natural gas and coal resources of this province. A complete list of the Council's recommendations with respect to Saskatchewan power development is contained in Part IX.
8. That greater facilities for training qualified engineers, technicians, tradesmen and other industrial personnel be made available. The recommendations of the Council pertaining to the training of technical personnel are contained in Part XIII.
9. That a special branch of the Department of Reconstruction be constituted for the purpose of continually studying ways and means of expanding Saskatchewan industries. This Branch should be responsible for information regarding current industrial developments in other countries and should be in a position to give advice to prospective industrialists as to the best locations for their industries, possible labour supplies, raw material supplies, power supplies, etc.

As a general statement of its attitude with regard to industrial development in Saskatchewan, the Council recommends to the Government of Saskatchewan that industrial development within the province be fostered by the employment of the means suggested above, and by whatever other means may lie within the power of the Provincial Government. The Government should, of course, be prepared to co-operate with Boards of Trade and with the Industrial Development Board.

PART IX.

POWER AND ELECTRIFICATION

Electrification has been widely discussed before the Reconstruction Council, both as a works project and as a means of providing some of the amenities of life to the rural population. At present power development has been almost wholly limited to supplying the requirements of urban centres. Approximately one-third of the population has this service. The following table shows the position of electric power service in Saskatchewan.

	Population Served	Miles of Transmission
Power Commission	45,000	1,560
Municipally Owned	121,000	
Private Companies	95,000	1,200
Isolated Plants	23,000	
Service but not by any standard method	21,000	
	305,000	2,760

The first two items in the above table represent public ownership. In Saskatoon, North Battleford and Swift Current, the Saskatchewan Power Commission generates the power and the municipalities distribute it. In any programme of electrification, it must be recognized that Moose Jaw, Regina and Saskatoon take about 75 per cent. of all the power developed in the province.

The Saskatchewan Power Commission was established in 1929. At that time it was the expressed purpose of the Government to develop the principle of public ownership, and consequently restrictions were placed upon development by private companies. The private companies, with their holdings, at the time of instituting the Power Commission were as follows:

1. Dominion Electric Power Limited, located mainly south of the Canadian Pacific main line, with a few points in the northern part of the province.
2. Canadian Utilities Limited—had their system east of Regina and the Cities of Yorkton and Prince Albert, with a line to the Town of Melfort.
3. Montreal Engineering Company Limited (Now Prairie Power Company) had built about 500 miles of transmission lines radiating out from Moose Jaw and Regina.
4. A little later the National Light & Power Company purchased Moose Jaw City plant.

It was represented to the Council that applications had been made by private companies for franchises to build lines serving small urban and rural areas but in most cases they were refused by the Power Commission. In a few instances permission to build was given.

It would appear to the Council that the policy of the Saskatchewan Power Commission has been too cautious and that it should build lines to those places desiring this service. If the Commission is not in a position to do this and if private companies are prepared to provide service they should be allowed to do so. Agreements could be entered into by the Saskatchewan Power Commission authorizing extensions and taking options on the facilities constructed so that the policy of public ownership could be exercised when desired. Under such a policy any temporary ownership by private companies should not prejudice the Commission's position and would allow much wider distribution of power. With such a large part of the population without those comforts of life obtainable through electrification, the Council is convinced that every effort should be made to provide this service. Even with the ultimate object of complete public ownership of this utility, it does not appear reasonable that this service should be denied and if the Power Commission is financially unable to do it, then private companies should be allowed to do so.

The production of power in Saskatchewan has been almost entirely by steam plants. The large reserves of coal in southern Saskatchewan are huge reservoirs of potential power. Some development of this resource is already taking place in the Estevan-Bienfait district and a thorough study should be made of the possibilities for a further extension of power development from coal, by modern methods. Conflicting opinions were presented to the Council as to the relative economic value of developing power from coal and hydro. The Saskatchewan Power Commission stated that "The investment in a steam plant is fairly comparable with the investment in a hydro plant." A private company submitted that it costs 2 to 5 times as much per H.P. to build a hydro plant as a steam plant, and often the hydro plant has to be supplemented by steam and went on to state "that whereas these hydro plants would give a great deal of work and no doubt would be spectacular, they are not necessary or economical." If

the Power Commission is to fulfil its function of providing power for Saskatchewan it is very apparent that they should develop large amounts of power. This can be accomplished either by hydro or steam. Recognizing this necessity, the Power Commission employed the services of qualified engineers to investigate and report on power development. Dr. H. G. Acres, consulting engineer, investigated possible hydro development on the Saskatchewan River near Fort a la Corne, and presented his report in 1931.

The investigation established that a large development of hydro power is possible at Fort a la Corne. The capital cost of the project may be summarized at \$12,000,000 for river development and power plant; \$820,000 for a step-up station; \$4,520,000 for transmission lines to the four large cities and \$1,810,000 for sub-stations, or a total of approximately \$19,000,000. This covers the ultimate cost but the development to take care of immediate local demands would cost approximately \$16,900,000.

The report states that the ultimate installation at Fort a la Corne would be 125,000 hydraulic H.P. capacity, with a productive capacity for the average year of 620,000,000 K.W.H.

It is estimated that 25 per cent. of the cost would be for labour in Saskatchewan and would provide 5,500,000 man hours. Total labour would amount to 75 per cent. of the total cost when the manufacture of necessary equipment is considered and this would all be spent in Canada, as the equipment can be provided by Canadian industry.

In any programme of power development involving Fort a la Corne, the Council recommends that further study be undertaken of the merits of this project as compared with the development of the coal fields of south eastern Saskatchewan. Should there be any considerable increase in consumption of power, and any industrial expansion, it might necessitate the development of both steam and hydro plants. The construction of a dam on the South Saskatchewan River by P.F.R.A. for irrigation and power, is discussed elsewhere in this report.

Submissions made to the Council emphasize the difficulties of construction of transmission lines to meet regulations of the Departments of Highways and Telephones. It has been necessary to locate power lines on "back" roads, thereby increasing inspection and maintenance costs. The Council believes there is a possibility of greatly expanded power lines to serve rural areas and that a reasonable programme permitting construction of transmission lines on highways should be possible. The Council recommends that a committee, representing the Saskatchewan Power Commission, the private companies, the Departments of Highways and Telephones, investigate this problem.

The Saskatchewan Power Commission is in the position of being a competitor with private companies, as well as an inspector and the body to approve applications from private companies for extensions, alterations, etc., to their systems. Such a dual capacity would appear to be untenable and the Council recommends that the Local Government Board handle all applications for extensions from private companies. This body could then act as a referee in case of disputes or differences of opinion. This suggestion is made on the supposition that the Power Commission is not proceeding forthwith on a definite policy of extension.

The importance of electricity in raising the standard of living was emphasized in briefs representing rural and urban opinion. The extension of transmission lines to various air ports has interested farmers and urban dwellers in adjoining areas in this service. The Saskatchewan Power Commission estimates that there are 35,000 people in small urban centres who should have service from major transmission lines and believes that this expansion could be provided over a six year period at an estimated cost of \$3,400,000. This development would be self-liquidating and should be financed by low-interest money.

The Canadian Utilities Limited estimates that, with an expenditure of about \$1,500,000 they could extend their lines to serve an additional 60 centres with a population of 11,000. Other private companies have proposals for extension of service, but claim present uncertainties and restrictions would have to be removed before they could proceed.

With respect to systems presently constructed, there has been a very considerable decrease in the cost of service as transmission lines replaced small local units. Further reductions can be anticipated as consumption of power increases.

The Council received requests for extension of service to the villages of Bateman, Hughton, Lucky Lake, Yellow Creek, St. Boswells, Coderre, Kinley, Wawota, Macrorie, Bratton, Dunblane, Maidstone, Torquay, Halbrite, Togo, Rockglen, Vanguard, Verwood, Macoun, Goodwater and other places.

It was suggested that the Saskatchewan Power Commission study the possibility of using natural gas at Lloydminster as a source of power. The construction of a hydro plant on the Churchill River was advocated, and a dam on the Assiniboine River near Sturgis proposed for power development and irrigation. It was also suggested that possible power sites in the Meadow Lake district be investigated. A complete survey of the water power possibilities of Saskatchewan for immediate and future development would appear necessary.

The imperative need for immediate action in expanding power services has so impressed the Council that it believes blueprints should be prepared immediately with a view to providing complete coverage for all rural and urban areas in Saskatchewan.

It is recognized that it is not the function of this Council to debate the subject of Government ownership of power production and distribution. However, it is well to recall that, at the time of setting up the Saskatchewan Power Commission, it was the opinion of the Government and the general wish of the people that all power be under the control of the Commission. It is quite evident that extension of lines by private companies has been very drastically curtailed and that the Commission has constructed isolated lines justifiable only when considered as part of a long range plan of province-wide coverage.

The widely expressed desire for electrification in the post-war period cannot be ignored. Such a programme would provide work and would be an important factor in raising the standard of living of the people. Progress of this nature cannot be denied and the completely unsatisfactory condition existing at present should not continue. The Council is of the opinion that ultimately all power development and distribution should be a public utility, for only under such a system can service be brought to all parts of Saskatchewan. In view of the present inability of the Saskatchewan Power Commission to provide this service, the apparent willingness of the private companies to do so, and the very real necessity for it, the Council recommends that extension of private lines be permitted and that the Government reserve the right to take over any and all power lines for a reasonable consideration when conditions warrant such procedure.

A programme of electrification should be developed with the present lines as the basis so that the whole province can be serviced. When lines are constructed for urban centres they should conform to a plan which will provide the fullest saturation for rural and farm electrification.

Rural and Farm Electrification

As agriculture is the principal industry of Saskatchewan and the population predominantly agricultural, it is important that everything be done to make living conditions on the farm attractive. The wide uses of electricity in labour-saving devices, increased efficiency of electrical appliances and new uses for electric power in farming and household operations emphasize the responsibility of the Government to provide this service for the rural population.

Information from the United States indicates that there are many cold storage

locker plants in use, particularly in rural communities. Freezing units suitable for individual homes and community use have been developed. The larger type is used in rural areas as a storage unit for various kinds of food. These have been operated co-operatively or associated with such businesses as creameries, butcher shops or elevators. Such a development in Saskatchewan would provide rural people with facilities for storing fresh fruits and meats. There would appear to be a large field for a service of this type, and if power lines were extended through rural areas this could be provided.

The Province of Manitoba has made a very complete survey as to the cost of rural and farm electrification. The Saskatchewan Power Commission presented a comparable picture of the possibilities in this province but no comprehensive picture can be given without a great deal of study and investigation. The rural settlement in Saskatchewan is more scattered than in Manitoba and in many areas farms are so large it might be impossible to give power coverage. It has been estimated that in Saskatchewan, with a saturation of 80 per cent., there would be an average of about one customer per mile. There are other areas where the concentration of settlement is much higher.

At the present time it is doubtful if more than 300 farms have service from transmission lines. Probably 1,500 to 2,000 could be served by existing facilities, but the cost of power has been a prohibiting factor for many farmers. Therefore, any programme of farm electrification would have to be based on the principle that the urban user of power absorb some of the cost of providing this service to the farmer. To provide a complete service would necessitate subsidizing the extension of coverage to the small urban centres and more thinly settled farm areas where such a system would not be self-supporting at reasonable rates. The report of the Manitoba Commission on farm electrification anticipates a subsidy; the Saskatchewan Power Commission also visualizes subsidy payments and those provinces of Canada where such an electrification programme is in effect have provided assistance.

The whole question of subsidies must be given very careful consideration. Private companies in Saskatchewan have expressed opinions on this subject. Canadian Utilities suggest that the farmer should not have to pay for the transmission lines, thus placing him in a better position to buy motors and appliances. They further believe that Government assistance in the form of low-interest money or some other co-operation is necessary and that this should be provided to private companies as well as public organizations if it is desirable to build lines in areas where a reasonable profit could not be expected.

The Dominion Electric Company believes "the field for Farm electrification is strictly

limited because of large farms . . . and comparatively sparse population" and that "some method of subsidy should be worked out which will enable both the Commission and the Utility Companies to reach out and serve more sparsely settled communities."

The National Light & Power Company states "it is apparent that a bonus or subsidy will be required to permit any agency to distribute power to hamlets and farms at a rate low enough to enable the fullest use of electrical energy."

There is, therefore, general unanimity of opinion on the necessity of a subsidy or bonus to enable the Saskatchewan Power Commission or private companies to provide electricity to rural areas.

Any programme of rural and farm electrification must be based on the desire of the individual for this service. A great many groups and individuals presented briefs suggesting the need for it. However, accurate knowledge of the farmer's attitude is desirable before any large programme of development can be considered. Many farmers living along power lines have not requested service partly because the costs have been too high and probably in a larger measure because of their lack of knowledge of the variety of ways in which electricity can assist with so many of the tedious chores on the farm. It would therefore be necessary to carry on an extensive educational plan before instituting rural electrification.

It must be demonstrated to the farmer that he can benefit from electricity before he will use it. In this connection the Western Agricultural Engineering Committee, Saskatchewan Section, suggested electrifying as many experimental sub-stations as possible for the purpose of demonstrating the uses of electricity on the farm.

A preliminary survey of 142 farms was made by Canadian Utilities Limited, in the districts of Abernethy, Moosomin, Melfort and Prince Albert. Consideration was given to the size of farm, the type of farming and the possible use of electrical appliances. This investigation provided some very interesting results. It indicated that the uses of power were in the following order: washing machines, radio, iron, and electric pumps and some farms used electricity for brooders, choppers, milking machines, churns and cream separators. Evidence of present users showed that the average demand by the farmer does not exceed 500 watts. In rural and farm electrification there is a charge for capital investment in transformers and lines and another for operating. The cost of maintenance and reading meters is high. In certain parts of the United States co-operatives operate farm lines and have effected considerable savings in maintenance and meter reading.

In any extension to farms of electrical power, farmers would make a considerable investment wiring buildings and purchasing ordinary appliances. Consideration might be given by the Government to amortizing the cost to farmers of electrifying homes and purchasing electrical equipment. Farmers should have service on the basis of urban users in that they should not be required to pay for the transmission line or the transformers.

Capital costs of the system would be affected by generating costs to some extent, but mostly by distribution charges. To provide service at the lowest cost, some agreement would be necessary with the Departments of Highways and Telephones respecting location of transmission lines. The present regulations are more severe in Saskatchewan than elsewhere, and have greatly increased the cost of construction and maintenance. Farmers should give free easements for rural lines. If the present system of private and public operation of power lines is continued, inter-connections and consolidation of lines would contribute to additional service and lower costs. It would also appear necessary to give consideration to uniformity of taxation and eliminate the present situation giving rise to a variety of assessments and taxation rates by local authorities.

A substantial beginning could be made on farm electrification by serving all farms within twelve miles of present lines. The Western Agricultural Engineering Committee, Saskatchewan Section, suggests that only after the fullest investigation of all phases should rural electrification be undertaken.

As indicated previously, some study has already been made of extension of electrical power to hamlets and farms. The Council believes that a complete survey of the whole province should be made before any extensive scheme is embarked upon. The Council therefore recommends that a committee be set up immediately to survey the whole field of farm electrification. This committee should represent the Saskatchewan Power Commission, the Department of Agriculture, private companies, and the Farm Management Department of the University of Saskatchewan. When the type has been determined, the agricultural representative of the Department of Agriculture might make the survey and report on soil and land use in areas in which the electrification programme might be inaugurated. This would provide a complete picture of the possibilities of power use on farms. At the same time an educational programme should be instituted to show the benefits and uses of electric power.

Wind Chargers

There are areas in Saskatchewan where the population is sufficiently concentrated to make a scheme of rural and farm elec-

trification possible. Other areas are very sparsely settled and provision of electrical power by transmission lines may not be possible. The people living in these areas are entitled to the benefits of electricity. This might be obtained by more extensive use of wind chargers. The present handicap to their use is the high price, so every effort should be made to lower the cost. This might be done by arrangement with the Dominion Government for further reduction of tariffs and excise charges.

If the principle of subsidizing the construction of power lines is recognized, then the man purchasing a wind charger is entitled to similar consideration.

About 15,000 farms have a limited electric power service from individual plants. It is interesting to note that when power is available from transmission lines, these users are the first to avail themselves of the improved service.

Considerable research work has been done at the University of Saskatchewan on the use of wind chargers. Private sales companies presented briefs showing the wide use of this equipment on farms. Their evidence shows that the newer types of machines start charging in winds as low as five and one-half miles per hour. There have been constant improvements in generators and the present tendency is toward larger and better type of batteries.

The Electric Equipment Company of Saskatoon states:

"Experience has increased the size of batteries and is constantly improving the efficiency of the generators so that practically every urban convenience with the exception of Electric Ranges is successfully used."

This Company points out that with a lowering of costs of machines, they would be more widely used. Servicing is a very small item as less than one-tenth of one per cent. have burned out. The cost of generating the current is low and has been estimated at 4.66 cents per kilowatt hour with a wind charger generating 1,800 kilowatt hours.

The Council recognizes that the wind charger has a place in the economy of the

Saskatchewan farmer and recommends that the Government make every effort to have the cost of machines lowered. The Council further recommends that their sale be subject to the approval of the Saskatchewan Power Commission, the costs of this supervision to be met by a licence fee from agents and distributors, the object being to ensure the application of the principles embodied in The Farm Implement Act, particularly those respecting repairs.

RECOMMENDATIONS

1. That a study be undertaken to determine the relative merits of developing electric power from the coalfields of south-eastern Saskatchewan and hydro at Fort a la Corne and other potential hydro development.
2. That a committee be appointed to reconsider present regulations respecting location of power transmission lines.
3. That the Local Government Board be the body to consider applications from private companies for extensions of transmission lines.
4. That public ownership of power development and distribution be the ultimate goal of the Government.
5. That extension of private power companies' lines be permitted under a definite agreement that the Government may take the lines over at a reasonable price when conditions warrant its doing so.
6. That a committee be appointed immediately to survey and report on the whole field of farm electrification. The services of the Farm Management Department of the University of Saskatchewan should be utilized in this survey. That Department has had a wide experience already in the case of various economic surveys.
7. That the Government make every effort to have the cost of wind chargers reduced and the sale of wind chargers be subject to approval and inspection by the Saskatchewan Power Commission, under principles similar to those embodied in The Farm Implement Act.

PART X.

SOCIAL SERVICES

It is the considered opinion of the Council that social security can only be planned on a national scale. While each province must, under the constitution, take the responsibility for the administration and implementation of all social services, if Canada is to achieve united nationhood, there must be a national level of social services, below which no Canadians will be required to live.

The provision of social services such as old age pensions, mothers' allowances, blind pensions, child welfare, etc., has become a recognized function of the modern state. Humanitarian principles demand that those who, through no fault of their own, are unable by their own efforts to attain security for themselves or their families, should be guaranteed a standard of living up to the recognized minimum. Not only compassion, but the recognition of the requirements for a healthy and contented society, compel us to this view. Only by the establishment of social services up to this level so that all handicapped groups are protected, can national unity be preserved, and under such a system only shall we have full recognition of the democratic rights of the individual.

It has been said, and should be emphasized, that "rights" in a democratic society carry with them "duties" on the part of all citizens, but the provision of fully adequate social services "as of right" for those citizens of Canada who through illness, deformity, age, or other factors beyond their own control, are not fitted to undertake and carry on the "duties" of citizenship does not contravene this principle. The age of a ruthless

"survival of the fittest" philosophy must pass if civilization is to progress and if Canada is to take her place in a community of civilized nations.

However, with Canada's present constitutional arrangements and with the present division of national income among the provinces, this desirable end can be brought about only by fiscal adjustments between the Dominion and the provinces. Saskatchewan, now receiving an inequitable share of the national income on a per capita basis, is in no position to maintain services up to the national standard unless this fiscal adjustment is made.

For example, to inaugurate the Marsh social security plan would take 12.5 per cent. of the national income, estimated for purposes of calculation at \$8,000,000,000. Authorities in other countries such as New Zealand, Great Britain and the United States agree that 12.5 per cent. of the national income is the maximum that can be economically spent on social security. However, taking the expenditures on a per capita basis, and assuming that the entire cost is to be borne by the provinces, it would mean that 18.25 per cent. of Saskatchewan's total income would have to be spent on social security to maintain these services up to the national level. These figures are based on the 1942 distribution of income, and the 1941 census figures.

The following table shows clearly the comparative position of the different provinces on a per capita basis:

Social Security Table—1942 Income Figures

Province	Provincial Income Corrected to Eight Billion Nat. Income Fig.	Social Security Costs on Per Capita Basis	Percentage Social Security Costs Are of the Provincial Income
Dominion	\$8,000,000,000	\$1,000,000,000	12.5
Saskatchewan	426,955,000	77,900,000	18.25
Quebec	2,019,701,000	289,600,000	14.34
Ontario	3,311,531,000	329,200,000	9.94
Manitoba	466,259,000	63,400,000	13.60
P. E. I.	40,498,000	8,300,000	20.49
Nova Scotia	315,933,000	50,200,000	15.89
New Brunswick	221,030,000	39,700,000	17.96
Alberta	492,494,000	69,200,000	14.05
B.C., Yukon and N. W. T.	705,599,000	72,500,000	10.27

At the present time the province is spending only \$5,297,444 on social and health services, according to the public accounts for 1942-43. This estimate excludes the Dominion's 75 per cent. contribution to Old Age

Pensions as not being an expenditure out of provincial funds. This figure is broken down as follows:

Saskatchewan's Expenditure on Social Security, 1942-43

Old Age Pensions } Total	\$3,048,131	{ Prov. share	\$ 897,846
Blind Pensions }		{ Prov. share	22,686
Public Health:			
Battleford Mental Hospital.....	\$	326,537	
Weyburn Mental Hospital.....		321,353	
Psychopathic Ward		4,473	
Other Public Health.....		1,101,141	
			1,753,504
Mental Hospitals (Public Works).....			895,599
Bureau of Child Protection:			
Mothers' Allowances		509,619	
Child Welfare		108,818	
Other		46,011	
			664,448
Industrial School for Boys.....			29,244
Direct Relief (payments made in fiscal year)			1,034,117
			\$ 5,297,444

This total must be regarded, however, as a minimum figure as it does not include amounts spent by municipalities nor private and charitable agencies, nor does it correspond with figures used by the Select Special Committee of the Legislature on social services as allowances for debt charges and some other items which might be regarded as social security are not included.

Estimating the maximum individual contributions that can be made toward a social security programme (which would include the proposed \$12 levy for health insurance), on the same basis as it is estimated in New Zealand, as 5 per cent. of the income of the people, a further \$21,348,000 would be added to the fund for social security. This leaves a total of \$49,226,957 to be raised from tax sources by the government or by special levies in addition to present expenditures.

When it is realized that the estimated surplus on revenue account for the fiscal year 1943-44 is only \$572,297.40, the utter impossibility of Saskatchewan being able to provide anything approaching what would be accepted as the national standard of social security becomes obvious, unless there is a fiscal adjustment similar to that proposed in the Sirois Report.

The people of Saskatchewan have evidenced their willingness to undertake social services to the full extent of their financial capacity in the past, and particularly to

co-operate with the Dominion Government to the fullest in any Dominion-Provincial scheme inaugurated such as Old Age Pensions or the Dominion-Provincial Youth Training plan. Saskatchewan was also the first to inaugurate enabling legislation for health insurance.

We must recognize the possibility of the province being left largely to its own resources to provide these social services, and in this event, it is felt that it must go as far as finances will permit. Saskatchewan must be prepared to extend these services with the money at her disposal, consistent with the development of education and other necessary services.

The success of an over-all programme of social services, not only in Saskatchewan, but throughout the Dominion is dependent upon the maintenance of a high level of employment because the need for many of the services varies in inverse ratio to the employment of the people. Sir William Beveridge based all his plans on the assumption of 90 per cent. employment, and this would seem to be a safe figure at which to aim in employment and works plans.

Family Allowances

The granting of family allowances as a cash benefit paid from general revenues and calculated at so much per child has been incorporated in both the Marsh and Beveridge plans for social security, as an integral

part of the whole scheme. They are described as a recognition of the right of children to proper food, clothing, housing and educational opportunity, whatever the accident of their parentage. The realization of this ideal of equality of opportunity and economic circumstance would involve a complete equalization of incomes, graded to size of family. However, any projected allowances do not go very far along this path, since the fact is that wages at present paid to a great many of our citizens are such that it is impossible for a man and his wife to bring up children, and certainly not more than one or two properly. While the argument for equality of circumstance to all children might not be thought valid provided all incomes had reached a level where decent living standards were assured, below this income level it has a great deal of force.

It has been pointed out by both Marsh and Beveridge that if unemployment and other benefits are to be paid on the scale recommended by them as a minimum, the lack of family allowances would result in an anomalous situation where many persons with more than one or two children would find themselves receiving more when unemployed than when working. Family allowances are therefore described as the "key" to the whole social security structure.

There are two principal arguments against family allowances. The first is that the cost of providing them is very great. With about 3,500,000 children under 16 in Canada the cost of providing an allowance of \$7 a month to each would be \$294,000,000, and at \$9 a month the cost would be \$378,000,000. Assuming the national income to be eight billion dollars, this would amount to from 3.7 to 5 per cent. of the national income. In all probability, of course, this would be coupled with the removal of present income tax exemptions for children. There are at present about 1,100,000 children in Canada for whom tax exemptions are given or a little less than a third, and the cost, with present wages and employment, would be reduced by about one-third. However, there is no assurance that this large number of exemptions will continue after the war.

The family allowance may be looked upon as a logical extension of the principle of "need" recognized in income tax exemptions. The increase in revenues that would result from the removal of the exemption for dependent children is problematical, depending upon incomes and the level of income taxation after the war. In any case the cost of family allowances would probably be larger than for any other single item on the social security programme.

It has been suggested that better use might be made of this money by the provision of direct services, since even a fraction of the sum would go a long way in

this direction. This is true, but there are strong arguments to the effect that it is socially desirable to give cash to a family to spend as they wish rather than to multiply the number of community services and benefits "in kind".

Whether or not the country could support a system of family allowances with its present income is another question. There is little doubt that with an income of the size envisaged in the Marsh report this could be done. In the event of a sizable amount of unemployment and a relatively low national income the burden would be much greater if paid from tax revenues. In such a contingency, however, it will be found essential to maintain the national income by various forms of social assistance and probably to resort to deficit financing. In such a case, family allowances would seem to be as good a way as any to augment a sagging national income.

A more potent argument against family allowances is found in the objection expressed by the phrase "bonusing of babies." It is thought by many that to remove the element of responsibility from the having and raising of children, even to the extent that family allowances do this, is socially undesirable. This depends upon the convictions of each individual, and is a question of social philosophy rather than fiscal ability. The Council is inclined to give considerable weight to this objection, and does not unconditionally endorse the institution of family allowances. It does not, therefore, recommend them specifically, but suggests that if the Dominion wishes to go ahead it consider carefully the full implications of the move.

Old Age Pensions

The provision of pensions of a size adequate to assure the maintenance of aged persons who can no longer, and should no longer be expected to earn their own living, is an essential part of any social security plan. While pensions should be large enough by themselves to allow an aged person to support himself or herself, they should also supplement incomes inadequate to provide a comfortable living standard.

Until very recently old age pensions were paid in Saskatchewan to men and women over 70 years of age when annual income was less than \$365 a year. Pensions were paid in the amount necessary to bring incomes up to \$365, with a maximum monthly payment of \$20. Recently the pension has been increased to \$25 per month and by agreement with the Dominion the income allowance has now been raised to \$425. This is still, in the opinion of the Council, not high enough.

In all, representations were made to the Council on behalf of the aged and infirm by 40 organizations and individuals, indicating considerable concern over the problem. A variety of eligibility ages were recommended, from 60 years for men and 55 for women to 65 years for both men and women, which was the highest age recommended. The most generally recommended figure for size of pension was \$30 a month, but \$40 was also suggested.

One matter deserving attention is determination of income. Several recommendations have been made concerning this. The Old Age Pensions Branch pointed out that under the present system the method whereby a pensioner is charged 5 per cent. of his equity in his property or his actual cash income from it, which ever is greater, causes a great many hardships and injustices. For example, suppose a pensioner owns a farm against which there is a mortgage. In any particular year or period of years the income from the farm may be no more than sufficient to meet the annual charges on the mortgage, so that the pensioner receives no net income from the farm. Nevertheless the pensioner will have deducted from his pension an amount equal to 5 per cent. of his equity in the farm.

The Branch recommends that this be altered so that actual income alone be charged against the pensioner. It was asked by the Saskatchewan Pensioners' Association that home property valued under \$3,300 should not affect the size of the pension. This matter is covered by the Branch's recommendation, which the Council endorses.

The Pensioners' Association also recommended that an emergency cash fund of \$500 be allowed to the pensioner before it affects the size of his pension. This also appears to be a legitimate request.

Another recommendation of the Select Committee was that there should be no recovery of pension payments allowed from estates of less than \$2,000. This has now been implemented, although it is not clear as to whether or not the \$2,000 is exempt where the estate is larger than this amount. It would seem logical that it should be exempted.

During the fiscal year 1942-43 the cost of Saskatchewan old age pensions amounted to \$2,905,668, and administrative costs amounted to \$61,295. The present rate of pensions was not in effect at that time however, and it is estimated that expenditures for the year 1944-45 will amount to about \$4,000,000. With the increased income allowance this figure will need further upward revision. The following estimates are available on costs of a pension scheme for various ages if the pension rate was set at \$30 a month. These figures are based on the

\$365 income allowance, and would therefore be somewhat higher if a higher allowance were established. All figures are for the combined Dominion and Provincial contributions.

Age limit 70 years.....	\$ 5,520,000
Age limit 70 for men and 65 for women.....	6,960,000
Age limit 65 for men and women	9,120,000
Age limit 65 for men and 60 for women.....	11,280,000
Age limit 60 for men and women	14,520,000

It will be seen that costs increase very rapidly as the eligible age is lowered. The Council feels, however, that a considerable increase in expenditure would be entirely justified and is of the opinion that pensions beginning at not later than 65 years for men and 60 for women should be instituted, with payments at the rate of \$30 a month and an income allowance of \$500 as a minimum. This programme would probably cost something more than \$11,280,000, according to the above estimates. With present population trends, of course, this would show an increase with the passage of years. In making these recommendations the Council supports \$30 as an immediate figure rather than one that will be found adequate.

Contributory Pensions

It is believed by many that the system of outright grants for old age should eventually be superseded by a complete system of contributory old age insurance. Such an arrangement has several things to recommend it. First it will provide a convenient means whereby persons may save for their old age. Second, it would remove the difficulties inherent in non-contributory pensions which, if sufficient to provide a proper livelihood put a premium on the practice of not saving, and if insufficient, inevitably run into the difficulty that, without some compulsory scheme of saving, many will not save and will find themselves impoverished in their old age. At present wage levels, of course, it is also true that for most families it is impossible to save any appreciable amount, whether they wish to or not. If this situation continues, then the feature of a government-operated contributory pensions' plan would come into effect which allows for redistributing receipts according to need as well as size of contribution.

There are many possible types of old age insurance schemes. The first question is whether to have pensions paid on a flat rate basis to all contributors, or to have pensions vary with income, (i.e. size of contribution). In the light of the fact that old age insurance is expensive, and that the first necessity is to get adequate pensions

for all, Marsh recommends the flat rate basis as the most suitable for Canada. Beyond the point of providing minimum pensions, too, there is much to be said for leaving savings for old age on a voluntary basis, and leaving it to the individual to choose the type of investment which he or she wishes to make.

After a decision has been made on the above problem, there still remains that of whom to include in the plan during the interim until the scheme has been sufficiently long established so that everyone will have made a substantial number of contributions before reaching retirement age. There are three ways of dealing with this as outlined in the Marsh report. The first is the "Age Limit Method" whereby no person over 55, or some arbitrary age, is eligible to come under the contributory schemes and must therefore, receive straight assistance on reaching retirement age as at present.

The second is termed the "Qualified Benefit Method" in which instead of a person being either in or out of the contributory plan, with no means test applied upon payment, a partial means test is used. Under this arrangement, the longer a person contributes the smaller the proportion of his pension is dependent upon lack of outside income. After contributing for a certain number of years, say 10, the means test is not applied at all.

The third method, that used by New Zealand, is the simplest and in many ways the most effective. It is called the "Qualified Contribution Method" and under it application may be made for exemption from payment of a contribution. Unless such application is made and approved, payment of the contribution is considered as much an obligation as payment of taxes, and penalties are provided for default. Each year the possible contributor, either pays, is exempted or penalized, and when he reaches retirement age is eligible for the full pension whatever the actual amount of his contributions. Under this system, too, detailed records over the whole working life of a person do not have to be kept and the administrative problem is much simplified. It may be noted here that if such machinery for determining exemptions were set up it could also be used in connection with the collection of health insurance contributions, if the two were not lumped together, which would also seem to be a logical move. This last plan requires a larger degree of co-operation from the people and acceptance by them of the whole principle of social security than do the others.

The sooner a scheme of contributory pensions is instituted the sooner the present pensions can be entirely done away with, and the Council considers that such a scheme should be organized on a national basis.

It is also the opinion of the Council that such a scheme should be so drafted as to provide that, in the case of permanent and total disability, no matter at what age it occurs, a contributor will become immediately eligible for the pension. This is in line with the ultimate ideals of a social security programme.

At the present time there are four old folks' homes in Saskatchewan and a considerable number of recommendations have been made for an increase in such accommodation. Cottage groups, apartment houses, boarding house type homes and straight institutional arrangements have been recommended, and in several cases it was suggested that air force barracks and other war-time government buildings be used. There are two considerations involved. First is the need for providing low-cost accommodation for old persons who are capable of taking care of themselves. If the pensionable age is lowered the proportion of people in this class will be great. These people will still have considerable physical vigour and interest in life and institutionalization would be entirely undesirable. On the other hand, without very low-cost housing accommodation, pensions would be insufficient to make possible even a comfortable living standard. Groups of cottage homes or small apartments would seem, therefore, to be a desirable arrangement, and boarding house homes the next best. For persons incapable of taking proper care of themselves it is probably desirable that increased care and supervision be provided.

In any case, even from the single point of view of institutional care there is insufficient accommodation in Saskatchewan. It has been necessary, or at least the practice, to put a number of old people into the mental hospitals at Weyburn and Battleford, which is highly undesirable, to say the least. There are approximately 400 such persons in our mental hospitals at present.

Legislation for the Blind

Blind pensions are at present granted through an amendment to the Old Age Pensions legislation. The amount of the pension is the same as provided for old age except that the maximum income of a pensioner is \$440 if unmarried or a widow or widower without children, \$640 if widow or widower with children, and \$805 if married with or without children. These pensions are paid from the age of 40. When married couple are both blind the equivalent of only one pension is paid provided they were married after 1937.

It has been recommended by the Canadian Federation of the Blind and by the Canadian National Institute for the Blind that the pensionable age for blind persons be lowered,

the Federation recommending payment from the age of 16, with elimination of the means test below \$100 a month, and an increase in the pension rate. The Canadian National Institute ask that adequate pensions be given from the age of 21. It was also recommended that the practice of placing caveats on the property of blind persons be discontinued since no bar should be put in the way of a blind person attempting to better himself.

It is the opinion of the Council that 21 is a sufficiently early age for eligibility for blind pensions (although the cost of inclusion of lower ages would be quite small) and that these pensions should be set at \$30 with an income allowance of \$500 for single, including widowed persons without children and \$700 for persons married or widowed with children.

The Council sees no reason why two blind persons married to each other should not each receive a pension. The above income allowances are not sufficient for a married person with children, and the Saskatchewan Government is endeavouring to persuade the Dominion and other provincial governments to provide for a monthly allowance for each dependent child of blind pensioners.

The Canadian Federation of the Blind pointed out the need for homes for the blind in which married couples would be permitted to live together, though one may not be blind. This problem is closely akin to that of providing homes for the aged, many of whom, it is pointed out by the Old Age Pensions Commissioner, are blind, yet not necessarily recorded with any blind organization.

The Canadian National Institute has shown itself in favour of a separate act to administer blind pensions, employment and a programme for the prevention of blindness. As far as pensions go, there seems to be no good reason why they cannot be administered as well under the present arrangements, but if the Government undertook the task of looking to the general welfare of the blind a separate administration might well be set up, including the payment of pensions.

Higher income tax exemptions should be granted to the blind, it was claimed by both organizations making representations on their behalf, because of the fact that a blind person has much higher necessary expenses than the average sighted person. It was pointed out that the blind citizen must pay for many extra services such as guides and secretarial help. This is recognized in the United States where higher income tax exemptions are granted to the blind, and it is a matter, in the opinion of the Council, that should receive favourable consideration in Canada.

Of first importance is the problem of seeing that as far as possible blindness is prevented, and curable cases treated. An analysis of persons applying for blind pensions, made by the Dominion Department of Pensions and National Health showed that of 534 cases examined, 356 were approved for pension. Of these there were 129 or about 36 per cent. where treatment might restore useful vision, no treatment being recommended in the rest. Of the 178 applications refused, there were 124 or 70 per cent. where preventive treatment would have been beneficial. This shows that there is considerable scope for preventive and curative treatment, and need for general eye care to prevent even the beginnings of blindness. It was the opinion of Dr. F. S. Burke, the Medical Officer in charge, that malnutrition was a major cause of blindness among the cases studied. A complete programme of health insurance and public health should take care of this problem.

The Institute recommended inspection of school children and provision of glasses, sight saving classes with proper facilities in larger centres and depots supplying teachers and equipment for treatment of children in rural districts. The advisability of placing this problem in the hands of the Department of Public Health for solution, at least so far as care of the eyesight of children and special treatment and classes dealing with the saving of eyesight, should be considered.

Employability among the blind has been placed variously at from 5 per cent. to 20 per cent. At the present time there are only a handful of blind people employed in Saskatchewan at newsstands and small cigar stands, and many more opportunities for employment are needed. The Canadian National Institute for the Blind recommends that it be given preference for the operation of any concessions in government buildings that may be available. They also recommend that wherever possible government purchasing agents give preference to articles of blind manufacture.

The Institute pointed out that there is a need for more talking book machines, which are phonograph arrangements for persons who do not know Braille. Books are recorded and the records sent out to be played on these machines. It is estimated that some 200 are needed in Saskatchewan and should be provided. The cost is from \$70 to \$80 per unit.

Another recommendation of the Institute was that field workers be maintained to give advice and instruction on the care and training of pre-school children. Blind children require special handling from about the age of 8 months.

Several suggestions were put forward with regard to the education of blind children. This matter is dealt with elsewhere in the Report. It is sufficient to mention here that free schools for the blind are maintained in Ontario and elsewhere, and full use is not made of them. It is recommended, too, that once the essentials of blind education are learned, children should be given the opportunity of attending public and high school, where they will learn to adjust themselves to a normal social environment.

One recommendation made by the Commissioner of Old Age Pensions was that there be greater co-operation among the provinces to provide centres for education of the blind, where they could be taken, if necessary, at government expense. In view of the limited number of teachers, such a move is needed if all the blind who could learn to read Braille are to have that opportunity.

The Federation recommended that blind welfare work be put under a department of government. This would presumably include employment problems, pensions and other services calculated to help the blind to adjust themselves and live a normal life.

Disabled and Physically Handicapped

These people, when not provided for under workmen's compensation or veterans' pensions, are in somewhat the same position as the blind and logically should be given pensions also, if it is demonstrated that they are unable to make a living because of their disability. Provision should be made for utilizing facilities which will be set up for the training of disabled veterans to help others who need special occupational training.

At the present time the only special provision made for physically handicapped people, apart from the blind, is the operation of the school for the Deaf at Saskatoon, where children are given special training through public and high school years.

The Council has received some information from Mr. Arthur Wilton, Employment Adviser, Special Placements Division, Ottawa, regarding work being done in Canada, the United States and Great Britain in regard to the physical rehabilitation, training and placement of physically handicapped persons. At the present time physically handicapped service personnel are rehabilitated through the Department of Pensions and National Health, and the placement of both soldiers and civilians will be undertaken by the special Placements Division of the National Selective Service. Training of the handicapped for employment is being developed and should be available to soldiers and civilians alike. There is, as yet, no provision for the physical rehabilitation of civilians. Mr. Wilton estimates that there are at least

240,000 persons in Canada who are physically handicapped and who are either not employed or are unsuitably employed.

Physical rehabilitation of civilians would probably be a matter to be handled by the provinces, but the Dominion will have a great deal of experience in, and facilities devoted to this work. Close co-operation should be maintained with the Federal agency, with perhaps a joint use of facilities.

In the United States the problem is handled through the Social Agencies section of the Social Security Administration. They deal with physical rehabilitation, education for employment and placement.

Financing is carried out jointly by state and federal governments, but the service is not allowed to suffer through the financial inability of a state. A survey of employment among physically handicapped persons made by the Western Electrical Co. in the United States showed lower rates of resignations, absenteeism, accidents and layoffs than among normal employees. Wages after rehabilitation have been shown to be on the average better than before disablement and the cost of rehabilitation is but a fraction of the yearly cost of direct relief.

It is expected that Great Britain will institute a programme of rehabilitation in schools, financed by governmental grants, and all employers will take a certain quota of handicapped employees on their payroll.

The Council recommends that some such programme as outlined be undertaken and that provision be made that in cases where employment is impossible that pensions be paid on the same basis as for the blind.

Maternity Grants

A complete plan of social security is usually considered to include the payment of maternity grants, which are a form of direct assistance paid in a lump sum to a mother when she has a child. The maternity grant recognizes the extra expenses to which a family is put when a child is born. An important reason for paying these grants is that many mothers, with household duties and no money for help, will often work too hard before and too soon after childbirth, thus endangering their own health and that of the children. In addition, worry over financial problems is detrimental to the mother's welfare at that time.

Not being continuous payments, grants could be very much larger than at present or proposed before operating as an incentive to having children. At present maternity grants are used in Saskatchewan to help pay medical expenses of mothers who have no funds. The maximum is \$25. The advent of health insurance will eliminate the problem of medical costs.

The maximum grant is broken down as follows: \$10 for attendance by the doctor, \$1 for pre-natal attendance, \$1 for post-natal attendance, \$5 for personal expenses of the mother and \$8 for hospitalization. The usual grant is \$17 since most mothers in need of the grant do not go to hospital. The cost of this service in 1942-43 was \$13,577.

It is the opinion of the Council that the present maximum grant is entirely inadequate to provide for childbirth expenses and recommends that it be increased to \$50. This sum could be lowered or even eliminated if health insurance were inaugurated, but it is thought that its continuation would still be desirable.

Mothers of illegitimate children are not now eligible for the grant. The Council recommends that they be made eligible in view of the fact that the child is in no way responsible for his birth and should not have his welfare endangered because of society's disapproval of the mother's action, and also because it is the belief of the Council that this method of penalizing both mother and child probably exercises no corrective influence and serves little social purpose generally.

Mothers' Allowances

Mothers' Allowances are grants for the support of children but paid to needy mothers or women who have assumed guardianship. The grant is paid on the death or incapacity of the father or of both father and mother. The grants, the present rates for which were established only recently, are graded to the number of children, \$15 being paid on account of the first child \$10 for the second and \$5 for each additional child to a maximum of ten children, making a maximum allowance of \$65 a month. The cost of providing allowances during 1942-43 was \$509,619.

When the income of a mother with allowances is less than relief rates, the municipality is responsible for making the total income up to that level.

Mothers' allowances hold a special place in any scheme of social security, since it is only through some such arrangement that a mother or guardian without any means of support may be enabled to care for her children without seeking work when the demands for caring for them are all she should be expected to undertake. Under the present Act the problem of determining the need for and the amount of the allowance is largely a matter for administrative discretion. It is possible for a woman to work and still receive an allowance. The present allowances are, of course, completely inadequate and mothers of illegitimate children are excluded from benefits.

Marsh points out that the allowances paid wives of service men illustrate very well the inadequacy of present mothers' allowances. The wife of a soldier receives \$35 a month plus \$12 for her first child, and allowances for an additional 5 children. A minimum of \$20 assigned pay is received from the husband as well.

There is a wide variation, too, in the allowances paid throughout Canada. The following table shows the average allowance per family at the time of the appearance of the Marsh Report.

Nova Scotia	\$28.55
Quebec	26.64
Ontario	28.91
Manitoba	35.79
Saskatchewan	13.77
Alberta	22.96
British Columbia	39.19

Alberta has since raised its allowance to a minimum of \$35 a month for a mother with one child, increasing to \$100 maximum with each additional child as follows: \$50 for two children, \$60 for three, \$70 for four, \$78 for five, \$85 for six, \$90 for seven and \$100 for 10 children. Saskatchewan has also had two increases over the Marsh figures. The Saskatchewan and Alberta figures are still too low. The lack of uniformity of Mothers' allowance legislation in the different provinces may be gathered from the following quotation from the Marsh Report:

"In six of the seven provinces allowances may be sought by widows who have only one child; in one province (Nova Scotia) allowances can be payable only to a woman with two or more children. In one province the amount for additional children is a flat rate, in some there is a sliding scale, in others adjustments are made on a budget basis, each family being considered more or less separately."

No allowances are paid in New Brunswick or Prince Edward Island.

Considering that when the above figures were computed the Saskatchewan scale of allowances was as follows,—\$10 for one, \$15 for two, \$20 for three, and \$4 for each additional child to a maximum of \$48,—it may easily be seen that Saskatchewan allowances even at present are still considerably below those of any of the other provinces.

One other question has been brought to the attention of the Council, namely, that while in cases of illegitimate births the putative father is liable for support of mother and child, it is extremely difficult in many cases to prove his identity, and there is no recourse if he leaves the province.

One problem in connection with mothers' allowances is that in Saskatchewan, at least, they are based solely upon the fact of child dependency. Consequently, when a child reaches the age of 16 the mother has her allowance cut off and, in most cases, is not eligible for old age pension. By this time she has, in all likelihood, reached middle age and must depend upon children probably quite unable to support her. Her alternative is a job but her lack of experience and long absence from wage earning will make it difficult for her to find suitable employment. Such a complete change in her mode of living at a time when changes are hard to make is also very undesirable. It is suggested that women over 40 who have been out of work for 5 years or more, and all women over 45 unless regularly employed within a year of termination of allowance, should receive at least the minimum allowance.

Provision should be made, too, for continuing allowances where children have passed the age of 16 without completing their schooling, if making satisfactory progress. Pensions paid by the Department of Pensions and National Health to the widows of servicemen constitute a precedent for this.

The Council, in the light of these facts, recommends that the present scale of mothers' allowances be doubled, making the minimum payment \$30 a month and the maximum \$130. The average payment would probably be in the neighbourhood of \$45.

It also recommends that the allowance be paid to mothers of illegitimate children. The minimum allowance should be paid to women whose children have died or reached the age when they are ineligible, in those cases where the mother would find it difficult or impossible to enter the employment market. Allowances should be paid while children are attending school, even if they have passed the age of 16. The Council considers, too, that the regulations against putative fathers should be strengthened and some arrangement made, possibly between provinces, whereby recourse can be had against fathers who have left the province where the baby was born.

Child and Family Welfare

The sudden changes in economic circumstances and the disorganization of family and social life brought on by the war have spotlighted the problems of juvenile delinquency, accentuating the lack of social workers and the importance of their work. It is anticipated that the post-war period will bring with it many problems of family and social adjustment, particularly among service men and their families.

Welfare activity in the province, insofar as it is handled by the Government, is under the Bureau of Child Protection. The administration of mothers' allowances is handled by this Department, and, in addition, it provides for the care of dependent and neglected children, the adoption of children, and acts in an advisory capacity to the juvenile courts.

Under the Child Protection Act it is required that each city of over 10,000 population establish a Children's Aid Society to take care of dependent and neglected children in that city. There are societies at Saskatoon, Regina, Prince Albert and Moose Jaw, who appoint their own probation officers and work under the supervision of the Bureau. For the rest of the province the Bureau handles the cases direct. The Act also provides for the organization of Child Welfare Committees, composed of interested citizens. These committees do only a limited amount of welfare work themselves and act mainly in an advisory capacity.

The duties of the Children's Aid Societies and of the Bureau when acting in this capacity, consist of taking care of neglected children by providing medical services, advice and help to the parents of the children, and placement in homes or institutions when they are homeless or when it is found that the parents cannot be safely entrusted with their care. For these purposes the Bureau has 13 inspectors who, in addition to acting as probation officers, also work for the Old Age Pensions and Mothers' Allowances administrations. There are also 8 lady inspectors who take care of the more intimate phases of the work, such as seeing to the health of the child and attempting adjustment of family relations.

Homeless children are provided for in various ways. They may be boarded at the expense of the Bureau, or they may be accepted free of charge in a foster home. In some cases the children are adopted, but in some cases it is found necessary to keep them in an institution, although this is considered by the Bureau the least desirable alternative.

Except for Mr. Keith S. Armstrong, the superintendent, there are very few trained social workers among the Bureau's inspectors. One or two have taken short courses in social work and it is expected that more will be trained by the Bureau. The lack of social workers is, however, very obvious, and it should be the policy of the Bureau to acquire a staff of trained personnel as soon as possible. The Council recognizes that special training is very desirable, other things being equal, and suggests that a specially valuable field for vocational guidance lies in seeing that the most suitable persons are chosen to take courses of study in social work.

Whether a child is simply boarded or legally adopted, the home to which he or she goes is supposed to be carefully inspected by the Bureau as to suitability of those charged with the care of the child and cleanliness of the home itself. There is a definite shortage of homes where orphans and neglected children can be placed, with the result that many must be kept in shelters maintained by the Bureau or by the Children's Aid Societies. The problem is most difficult in the case of subnormal or deformed children and those of mixed parentage. For those remaining in the custody of the Bureau, however, education is provided, and where ability is shown the pupil is placed in high school and normal school.

Expenditures of the Bureau of Child Protection, excluding mothers' allowances, were as follows for the fiscal year 1942-43.

Salaries	\$ 28,723
Expenditure under Child Welfare Act	108,818
Grants to Orphanages.....	4,500
Evacuee Children	3,926
Education, Maintenance and Transportation of Blind	8,861

In addition, expenditures for the Industrial School for Boys made by the Department of Public Works, amounted to \$14,349, and by the Department of Education to \$14,895.

Juvenile Delinquency

The principal problem of juvenile delinquency is that insufficient provision has been made to help delinquents apart from sending them to institutions for correction. The Bureau works in an advisory capacity with the juvenile courts. Judges and police magistrates are empowered to act as juvenile court judges, and are given considerable discretion in dealing with these cases. For the first offence, the offender is generally put on probation under one of the probation officers, a Bureau inspector or some citizen identified with social work. It is the duty of the probation officer to try and bring about a readjustment of the child's attitude, thus eliminating the necessity of putting him in an institution. If this method fails, however, the child is sent to the Industrial School for Boys, or in the case of a girl, to one of three homes for correction in Manitoba and Alberta where they are trained under supervision.

There is a recognized need for increased preventive work in connection with juvenile delinquency, and also for more trained advisers in connection with juvenile courts.

Private Welfare Agencies

There are two voluntary organizations, the Regina and Saskatoon Family Welfare Bureaux, doing welfare work and employing

trained social workers. They are not exclusively concerned with child welfare, nor are they engaged in any particular aspect of social work. To quote the presentation of the Regina Welfare Bureau it is "interested in all aspects of social relationships which touch upon the well-being of the home and family." They are engaged in individual case work with families, and prepared to assist in any community programme for social betterment. The Regina Bureau states that it is concerned with promoting education and training for social work, as these may be necessary or desirable.

Proposals to the Council

One of the greatest needs at present is to obtain more trained social workers and psychologists to deal with the problems arising in connection with child and public welfare. A considerable body of knowledge has been built up regarding problems of the social maladjustment and juvenile delinquency, but regardless of the sincerity and ability of those at present engaged in welfare work, the optimum results cannot be achieved unless trained social workers are utilized as fully as possible.

Improved organization of welfare services in the province is also necessary. The lack of adequate organization is in part a result of the lack of trained personnel. It has been recommended by several organizations that Child Guidance Clinics be established in the province, the most common arrangement suggested being to have two permanent clinics, one at Regina and one at Saskatoon, with travelling clinics to serve the rest of the province. This was the suggestion of Dr. S. R. Laycock, Professor of Educational Psychology, University of Saskatchewan. The function of these clinics would be to deal with problems of delinquency, and mental maladjustment among children, and they would be staffed with psychiatrists and other specially trained personnel. The practicability of these clinics in Saskatchewan was questioned by the Bureau of Child Protection because of the scattered nature of Saskatchewan's population. The Bureau thought that with the addition of one or two more Children's Aid Societies, properly staffed, and with an adequate coverage of the province by Bureau-appointed social workers working in co-operation with local Child Welfare Committees, the service might be adequate if psychiatric service were made available through Mental Hygiene Clinics rendering service to children and adults alike. The Department also was of the opinion that a great deal of good would result, and at reasonable cost, by fostering a "big brother movement", perhaps sponsored by an active service club working in conjunction with existing social agencies. Excellent work has been done in Calgary through its "Boys' Town", a recreational

organization financed by the Rotary Club and directed by H. F. Coulter, Probation Officer to the Juvenile Court.

As mentioned above it is very desirable to have trained social workers and a psychiatrist attached to the juvenile courts in an advisory capacity. This also was recommended by Dr. Laycock.

In the field of institutions for delinquent children Dr. Laycock recommended that three institutions be established. The first is a training school for delinquent boys to supplement the present Industrial School for Boys, which he considers inadequate. He recommends that this be built on the cottage plan with a "cottage father and mother" to give a family atmosphere as far as possible, and equipped to give training in several trades and also in agriculture. The school should be located where mixed farming could be carried on. The training in itself is not the important thing about this school, but through the process of training the self-respect of the boys is restored.

Secondly, he points out the need for a training school for girls, organized along the same lines, only with different courses of training. There is at present no such school in Saskatchewan. The Bureau of Child Protection questions if there are enough offenders to justify a separate school in Saskatchewan, but if existing schools are not of the most desirable type this objection falls down, unless Manitoba or Alberta establish the proper type of school, to which Saskatchewan girls can be sent. There is much to be said, too, in favour of a school for Saskatchewan delinquent girls in the province where they will be in close contact with social workers familiar with their case histories.

Thirdly, a Borstal institution for young offenders between the ages of 16 or 18 and 24 is recommended. Such institutions have proved successful elsewhere, and by putting the emphasis on remedial rather than punitive measures for young offenders, have succeeded in rehabilitating many of them. Before sending persons to this institution, they should be carefully examined by a psychiatrist and a psychologist. The staff should also be specially selected to ensure the proper attitude toward the inmates, and expert guidance for them.

The cost of a training school for boys is estimated by Dr. Laycock at \$500,000, that for girls at \$200,000 and the Borstal Institution at \$250,000.

A further recommendation made by Dr. Laycock and endorsed by other groups is that there be improved supervision of foster homes and less institutional care for children, with the emphasis on the prevention of delinquency.

In general, the Council recognizes the need for increased welfare services, both among children and adults, and recommends that as quickly as possible, trained social workers and psychiatrists be employed.

It also endorses the recommendations of Dr. Laycock with regard to the establishment of training schools and a Borstal institution. The need for a mental hygiene service for children is recognized but in view of conflicting opinions expressed regarding the establishment of Child Guidance Clinics, it hesitates to make any specific recommendations.

However, as a start for a mental hygiene service for both children and adults, it is suggested that attention first be given to the needs of children, as being the most pressing and vital problem.

It is the opinion of the Council that services for dependent and neglected children need improvement. Whether the best method of care is placement of the children in foster homes or in institutions depends largely upon the character of the care in each case. Obviously the welfare of the child, and not adherence to any theory of child care not proven in practice, is the prime consideration. Where foster homes are used the greatest care should be taken to see that these homes are suitable, and that they are rigidly and regularly inspected. In particular, the follow-up work after placement should not be neglected.

Where children are kept in shelters the greatest efforts should be made to develop a home atmosphere. Attendants should not be so busy as to preclude the opportunity of talking and playing with the children. It is also suggested that children need someone to take the place of a father and that a man with the proper personality and not too arduous duties be engaged in this capacity.

It is recommended, also, that psychiatrists and such other trained personnel as required, be attached to the juvenile courts.

Unemployment Insurance

The plan of unemployment insurance now in effect in Canada is designed to be operated on insurance principles, that is, it will be mainly financed through contributions. Rates of benefits and contributions are calculated therefore on an actuarial basis as far as possible, but it is well to point out that a strictly actuarial calculation is impossible.

The Unemployment Insurance Act was passed in 1940 providing compulsory coverage for all persons working on contract of service and earning less than \$2,400 a year, except where payment is on an hourly,

weekly, daily, piece, or mileage rate basis, when there is no income limit. There are also a number of exempted employments, principally in transportation, the primary industries, government employment and seasonal occupations. Exempted employments are as follows:

Agriculture.
Horticulture and forestry.
Fishing.
Lumbering and logging.
Hunting and trapping.
Transportation by water or air.
Stevedoring.
Domestic service.
Employment in hospital or charitable non-profit institutions.
Professional nursing.
Teaching.
Police force.
Permanent municipal employees.
Provincial and Dominion Government employees.
Armed forces.

The above exemptions were made principally because of administrative difficulties, and in cases such as the police force, government employees and teachers, because employment is so certain that, as a group, they have little to gain from the plan. Although members of the armed forces make no contribution, they may, upon making contributions for 15 weeks within a year following discharge, obtain credit for the whole period of their service since July, 1941. The contributions for the period in service are paid by the treasury.

To be eligible for benefits under the scheme the following conditions must be fulfilled:

1. There must have been 180 daily contributions made in the two years immediately preceding unemployment.

2. Correct application must be made and proof of unemployment given.

3. The applicant must be capable of accepting suitable employment.

4. He must have attended, or give good reason for not attending training courses recommended by the Commission.

A person who has been discharged through misconduct, has neglected to avail himself of an opportunity for suitable employment, or who is out of work through strikes or labour disputes, may not receive benefits.

There are limits set on how long a person may draw benefits. The general rule is that benefits may be paid for one-fifth of the number of days for which contributions have been made over the last 5 years, less one-third the number of days for which he has drawn benefits over the last three years. The maximum time during which benefits may be paid, is one year. In order to eliminate petty claims there is a nine-day waiting period in each year during which benefits are not paid.

The rates of benefits under the plan are directly linked to the rate of contributions, and determined by multiplying the average weekly employee contribution rate during the two years immediately preceding the claim by 34 for persons without dependents and by 40 for persons with dependents. The maximum benefit is \$14.40 a week for a person with dependents and \$12.24 for one without. The following table shows weekly contributions and rates of benefit for the various income groups:

Scale of Contributions

Reference No. for Class	CLASS OF EMPLOYED PERSON	Weekly Rate		
		Employer	Employee	
0	Earning less than 90c per day..... Under 16 years of age.....	18c	09c	{ Paid on his behalf by employer
1	\$ 5.40, less than \$ 7.50 per week.....	21c	12c	
2	\$ 7.50, less than \$ 9.60 per week.....	25c	15c	
3	\$ 9.60, less than \$12.00 per week.....	25c	18c	
4	\$12.00, less than \$15.00 per week.....	25c	21c	
5	\$15.00, less than \$20.00 per week.....	27c	24c	
6	\$20.00, less than \$26.00 per week.....	27c	30c	
7	\$26.00, or more	27c	36c	

Benefits

Class	Single Person	Person With a Dependent
1	\$ 4.08	\$ 4.80 Equal to approx. 75% of wages
2	5.10	6.00
3	6.12	7.20
4	7.14	8.40
5	8.16	9.60
6	10.20	12.00
7	12.24	14.40 Equal to approx. 45% of wages

The Dominion Government contributes to the insurance fund an amount equal to 20 per cent. of the contributions, plus sufficient to cover the costs of administration.

Dr. Marsh points out that these rates of benefits are adequate for a minimum desirable standard of living for single men in the higher income brackets only. In all other cases they are below what he recommends. The Council therefore suggests that the scheme be reviewed with the object of instituting higher benefit rates.

In a scheme of this kind, if it is to be comprehensive, there will inevitably be some groups benefiting relatively less than others due to the small volume of unemployment normally found among them. Some extreme cases of this have been exempted from the scheme. It would be difficult to vary contributions to allow for these inequalities, and in any case it is probably not desirable. There is no reason why persons in what might be called "favoured" employments should not make contributions.

On the other hand, some classes of employment have been excluded from the plan because their work is seasonal or occasional. While it is recognized that the difficulty of including such groups as lumbermen, farm workers, fishermen and stevedores presents many administrative problems, there would seem to be no very good reason why they should be excluded. With a proper employment service no workers should remain unemployed for any lengthy period of time, particularly with training facilities provided whereby one can fit oneself for alternative employment.

The Council is therefore of the opinion that all persons working "under contract for service" should be brought under the scheme with the single exemption of higher income groups.

It has been suggested that the present scheme is at fault in having a limit to the period during which benefits may be received. The validity of this is open to doubt, since in the case of unemployment for long periods facilities should be made available for a man to train for a more

satisfactory occupation at government expense. In the general objectives of post-war economic planning there should be no unemployment so widespread that this alternative would not be a solution. It is possible, however, that the ratio of benefits to contributions should be changed so that a person beginning employment, or with a short record of contributions behind him, should be eligible for more days of benefits than at present.

A further objection to the plan is that unemployment is not so defined as to include unemployment due to illness. Loss of wages through sickness is as much a result of ill fortune as a layoff, and there is no reason, in the opinion of the Council, why illness should not be included in unemployment for the purposes of the Act.

Conclusion

The Council is of the opinion that a programme of complete social security should be the ultimate objective. An integrated plan embracing Canada as a whole, similar in scope to that in the United States, would appear desirable. Such a plan should include all types of social security measures and have as its basic principle the contributory feature. Uniformity between provinces, if not an essential of the programme, would certainly immeasurably enhance its value. This is a logical matter for discussion at a Dominion-Provincial conference, where the possibilities of co-operation between provinces could be explored.

RECOMMENDATIONS

1. That the Dominion consider fully the implications before implementing a system of family allowances.
2. That the eligible age for Old Age Pensions be reduced to 65 for men and 60 for women, and the pension be increased to \$30 per month, with a yearly minimum income allowance of \$500.
3. That a scheme of contributory old age pensions be organized on a national basis, and that permanent and total dis-

ability before the pensionable age make the contributor eligible for the pension immediately.

4. That the pensionable age for the blind be reduced to 21 years. That the rate of pensions be increased to \$30 per month, with an income allowance of \$500 yearly for each single or widowed person without dependents, and \$700 yearly for married persons, or persons with dependent children.
5. That full pensions be granted to both in the case of two blind persons married to each other.
6. That higher income tax exemptions be provided for the blind.
7. That a programme be inaugurated whereby training for the physically handicapped be provided in schools, financed by Federal Government grants; and that employers take a certain quota of handicapped persons on their payroll.
8. That pensions, on the same basis as for the blind, be provided for unemployable disabled or handicapped people.
9. That the maximum for maternity grants be increased to \$50, this sum to be lowered or left at \$25 under a health insurance plan, and mothers of illegitimate children be eligible for grants.
10. That the present scale of mothers' allowances be doubled, and the provisions extended to include mothers of illegitimate children.
11. That the minimum allowance be paid to the mother if the children, having passed the eligible age, are unwilling or unable to support her and cannot be made to do so.
12. That allowances be continued as long as children are making satisfactory progress at school, even if over 16 years of age.
13. That regulations against putative fathers be strengthened, rendering them liable for support of the mother and child regardless of their place of residence.
14. That trained social workers and psychiatrists be employed as soon as possible.
15. That training schools and a Borstal Institution be established.
16. That all possible encouragement be given to voluntary organizations to prevent delinquency.
17. That psychiatrists and other trained personnel be attached to the juvenile courts; and the personal qualifications of probation officers and other officials be a prime consideration in their appointment.
18. That suitable personnel and the most conscientious efforts be employed to give dependent and neglected children suitable upbringing, whether in foster homes or institutions.
19. That the personality of social workers, and not their formal education, be the prime consideration in choosing them.
20. That the Unemployment Insurance Scheme be reviewed to institute higher benefit rates, and extend privileges to all persons working "under contract for service", except in higher income groups, and illness be included as unemployment for the purposes of the Act.
21. That an integrated plan for social security, organized on a national basis, perhaps along the lines of that in the United States, be considered.

PART XI.

HEALTH AND MEDICAL SERVICES

PHYSICAL FITNESS

is a necessity in any scheme of health and medical services.

Post-war planning indicates a very complete system of health and medical services for Canadians. Provisions for preventive and curative measures have been made and will be extended. The maintenance of physical fitness must be looked upon as a preventive measure of basic importance and for this reason a physical fitness programme

War enlistments have brought to the fore the state of physical health of Canada's youth. A return, recently tabled in the House of Commons at Ottawa gives the province-by-province total of medical examinations, showing the number of physically fit and unfit men. These figures are up to Feb. 29, 1944.

Province	Fit	Unfit	Total	% Unfit to Total
Ontario	312,106	182,872	494,978	36.945
Quebec	144,025	209,806	353,831	59.295
Nova Scotia	43,386	36,611	79,997	45.765
New Brunswick....	40,648	22,727	63,375	35.86
Prince Edward Island	10,874	5,095	15,969	31.905
Manitoba	65,837	37,830	103,667	36.49
British Columbia..	68,053	40,446	108,499	37.277
Saskatchewan	73,373	33,706	107,079	31.477
Alberta	73,811	38,071	111,882	34.027
	832,113	607,164	1,439,277	42.185

Awareness of this condition is resulting in remedial action and both Canada and Saskatchewan have passed Physical Fitness Acts.

The National Physical Fitness Act of 1943, (Dominion) provides for a National Council on Physical Fitness to co-operate with educational institutions and other organizations engaged in promoting the health of the people by assisting the extension of physical education, and training teachers, lecturers and instructors in the principles thereof. The Council may further promote the programme by organization and provision of facilities and by the encouragement, development and correlation of all activities for physical development. A Physical Fitness Fund is set up from which provincial councils receive financial support, to the extent of half the expenditure of the provincial plan, or pro rata by population.

At a recent conference of the National Council of Physical Fitness it was recommended that adequate physical fitness programmes be instituted in public schools, and

in universities, which should establish degree courses in physical education for both men and women. The programme should also be instituted in prisons and reformatories. Communities are to set up their own programmes in co-operation with the Dominion and provincial councils, while industrial organizations are responsible for recreational facilities for employees. It was suggested that school boards consider placing their facilities at the disposal of responsible community organizations. The Council recommended that in view of the lack of recreational opportunities in rural areas, provincial councils give special attention to this aspect of the programme.

The Physical Fitness Act of 1944 (Saskatchewan) provides for establishing the Saskatchewan Council of Physical Fitness. This is an advisory body whose duty is to consider proposals by the National Council and make recommendations respecting physical fitness programmes to the Minister of Public Health. The Department of Public Health will administer the Act and take such measures as are necessary to promote

the physical fitness of the people of the province. The Deputy Minister acts as Chairman of the Council on Physical Fitness.

The only provision for organized instruction on physical fitness has in the past come from the Y.W.C.A. and Y.M.C.A. and from the schools. There are "Y's" in Moose Jaw, Saskatoon and Regina at which instruction is given in gymnastics and various sports. The high and technical schools in Regina, Saskatoon, Moose Jaw, Prince Albert and Yorkton have a total of 19 qualified instructors, usually a man and a woman in each school. In addition there is a physical education specialist at each of the three normal schools in the province, and one man acts in this capacity for all the Regina Public Schools. Lack of trained leaders and lack of funds have been the chief obstacles to the development of a well-rounded physical fitness programme.

With the establishment of the School of Physical Education in 1936, facilities for the training of women teachers were provided at the University of Saskatchewan. A one year course is offered to those who have obtained, or are candidates for a Bachelor's degree in Arts and Science or Household Science, and a Teacher's Certificate. The course in physical education may be taken after the Arts or Education courses.

It has been suggested to the Saskatchewan Reconstruction Council by Moose Jaw Y.M.C.A. and Saskatoon Y.W.C.A. that the facilities of the "Y's" be extended to include smaller centres and all age groups, and that free services such as are given to the armed services be provided, these services to be paid for by donations and government grants. Suggestions have also been made for more trained physical instructors to carry out a provincial programme of physical fitness in schools and other organizations.

HEALTH INSURANCE

A system of health insurance has two things to recommend it:

(a) A great deal of medical, hospital and dental care needed but not at present received would be provided under health insurance. This would contribute greatly to the happiness and efficiency of the people and effect a considerable saving in life.

(b) The burden of heavy medical and hospital bills would be spread over more persons and a greater period of time.

Respecting the first there is sufficient evidence to indicate a real need for increased medical services. One source of such evi-

dence is Canadian vital statistics. After a lengthy study of these the Heagerty Report concludes:

"This analysis of deaths in the Vital Statistics of Canada, for the fifteen years, 1926 to 1940, reveals very conclusively that vast numbers of Canadian people have died through failure to secure any or adequate medical care. This statement is based upon 'the record of medical science' which proves that lives might be saved by co-ordinated application of existing medical knowledge for the prevention, treatment and cure of disease".

Some of the information given by the Heagerty Committee is summed up showing the need in specific cases.

It stated "A goodly portion of the death toll of babies prior to delivery could be prevented." These deaths averaged 6,933 a year over the 15-year period studied, and it is known that many stillbirths could be prevented by more adequate pre-natal care and generally improved health of mothers. The prevention of syphilis here, as in so many cases, is an important factor.

Infant mortality, also, is very largely preventable. It is often described as a "class disease" because of the effect economic circumstance has on its incidence. The cure lies in more adequate pre-natal care and nutrition, application of proper hygienic measures and provision of adequate facilities.

The greatest scourge of childbirth, puerperal sepsis, is, with improved hospital accommodation and "intelligent vigilance" on the part of the persons attending, largely preventable. Deaths from puerperal sepsis are still too high, and for every death it is estimated that there are ten cases which did not result in death but which leave the mothers with varying degrees of disability. Many maternal deaths may also be attributed to previous illnesses of the mother, particularly during childhood. Health insurance should contribute to an ultimate decline in deaths from these causes.

Regarding heart diseases, one of the major causes of mortality, the Report states:

"We know that life can be prolonged and made more efficient for some of those persons having these (heart) conditions, with less of suffering and distress, if the diagnosis is made early in the course of the disease and if the patient understands his limitations and is under suitable medical supervision. As in cancer, the key-stone of any programme for the control of heart disease is the practising physician".

In Canada over ten thousand persons die annually from diseases of the respiratory system, and from 10,000 to 12,000 persons from infectious diseases. Here are two great fields where adequate medical care and improved preventive service could effect great savings.

These examples could be multiplied. Evidence presented to the Council, too, has shown a general recognition of the need for a plan of health insurance. The high percentage of rejections for military service on medical grounds has been cited by several organizations. While it is true that fairly high standards of health are required for enlistment, these figures do show that a great improvement in the health of the people of this country is desirable.

Valuable suggestions for the improvement of our health services have been made, particularly by the College of Physicians and Surgeons. Many of these involve additions and improvements to our public health services, but some also are concerned with pointing out the need for attention to treatment of diseases which would come within the range of health insurance benefits. More attention to eye diseases, and special clinics for heart diseases among young children and school children are recommended.

Probably the most useful thing about health insurance is that it would allow much greater attention than is at present given to preventive measures and to the early treatment of disease. There would no longer be any reason for neglect of early symptoms or of periodical checkups.

The advantage of health insurance in its function of spreading the burden of high and unforeseen medical costs is well known. The elimination of worry over medical expenses alone should be a great contribution to the individual's health and happiness. Part of the costs of medical care for low income families has always been borne by the higher income groups, by default, so to speak. Health insurance would eliminate the premium put on a weak sense of responsibility for paying bills, and people would no longer neglect their health because of unwillingness to incur debt. Nor would there be any skimping of hospital or other services to people who cannot afford to pay for them. Districts that could not ordinarily support a doctor would be supplied and, generally, most economic barriers to the provision of complete medical service would be removed.

The "Report of the Advisory Committee on Health Insurance" headed by Dr. J. J. Heagerty, presented proposals to the Dominion Government for a national scheme of health insurance, these being embodied in draft bills for both the provinces and the Dominion. These bills have been revised several times and the latest provisions will be

dealt with here. The Report proposes a system of Federal grants to the provinces for the support of health insurance and also for a number of public health services. To qualify for these grants the provinces must conform to certain requirements in both the insurance and public health fields.

The more important provisions of the draft provincial bill proposed by the Heagerty Committee are summarized below.

1. A Health Insurance Commission to be composed of eleven or more members including two medical men, four others representing nursing, dentistry, hospitals and pharmacy and five or more representative laymen. Administration may, at the option of the provinces, be undertaken by a department of government.

2. Benefits to be provided to all or to all below a certain income level, at the discretion of the province, except that the provinces may not provide for exclusion of classes below any specified income level.

3. Medical, surgical and obstetrical benefits; dental benefits; pharmaceutical benefits; hospital benefits; nursing benefits—"... such as to provide for the prevention of disease and for the application of all necessary diagnostic and curative procedures and treatment." This is contingent upon there being sufficient personnel available to provide the service. If not the most urgent needs should be satisfied first.

4. In the provision of medical, surgical and obstetrical benefits arrangements shall be made with practitioners for the provision of prescribed services and lists of such practitioners published with the class of service available in each case. It shall be provided that all practitioners who wish it may be included in the list and insured persons shall have the right to select their own practitioners, and also their own specialists. Specialists' services, however, are ordinarily to be obtained following consultation with and on the recommendation of the insured's medical adviser. If insured persons do not specify their practitioner they are to be assigned a doctor. The practitioner may refuse to accept any patient.

Arrangements with practitioners shall also provide for their services in connection with the prevention of disease and the conservation of health. No payment shall be made to practitioners from the fund for services rendered in excess of their professional competence as defined by the lists. Methods of remuneration of practitioners shall be defined and it shall be provided that adequate and satisfactory clinical records be kept. The legal responsibilities of practitioners with respect to the divulgence of clinical data shall be defined.

The above arrangements may be made also with approved clinics of groups of doctors working co-operatively.

The province is to lay down rules and procedure for determining those services within the professional competence of physicians. The province shall also prescribe services to be included in general practitioner service, either for the province or by regions or districts with provision for special arrangements if needed.

5. Regarding dental benefits it is provided that arrangements be made with dentists for provision of services, and that the arrangements be such as to secure the publication of a list of practitioners, the right of inclusion in the list, choice of practitioner, the distribution among dentists of persons who do not specify any choice, the right of refusal of patients, arrangements for payment of dentists, the keeping of clinical records and in general much the same provisions as were applied to doctors.

It is also provided that classes of persons entitled to benefit shall not be greater than can be served, and that benefits be extended to include everyone as soon as possible. Eligible persons may be required to attend at certain times for dental services, and be subject to penalty if they fail to do so.

6. Dealing with pharmaceutical benefits it is recommended that lists be prepared of all pharmacists desiring inclusion. Prescriptions priced by a tariff agreed upon by a board of the Commission and the preparation of a provincial drug formulary are recommended. Persons shall have choice of pharmacist.

7. The Heagerty Committee's recommendations regarding hospitalization, as embodied in the draft bill provide that arrangements be made for all necessary hospital services for insured persons and lists of hospitals included in the arrangement be published, specifying the services each is equipped to provide. Arrangements are to be made only with non-profit voluntary hospitals, municipal hospitals, provincial government hospitals and Dominion Government hospitals, all to be on an equal footing.

An insured person is entitled to hospital care upon recommendation of his physician, and may choose his hospital. The hospital governing bodies may determine what practitioners have the right to practise therein. The compensation for hospitals would consist of a basic rate for general ward care and perhaps some diagnostic and therapeutic services. Additional provision is to be made for services not included in the basic rate. Private or semi-private ward service may be obtained by an insured person by payment of the difference in the cost.

It is provided that insured persons in receipt of hospital service shall be available for clinical observation for the instruction of students in medicine and nursing.

Medical men in attendance at "closed wards" shall be paid regular rates for their work and regulations shall be drawn up prescribing rules and procedures for determination of the classes of service each hospital is capable of providing.

8. Arrangements are to be made with nurses through their representative organizations for necessary nursing services by other than fully trained nurses if such are prescribed because of special circumstances or for special duties.

Nurses are to be made available only when ordered by the practitioner, and shall be retained through the agency of local organizations as far as possible, regard being had to qualifications for the case. Patients shall have the right of selecting a nurse from the appropriate list. Conditions of service, wages and hours shall be subject to revision and reconsideration from time to time, and accepted standards of nursing services shall be maintained.

9. Members of the professions on return from the armed services after the Act is in force shall be as nearly as possible on the same footing upon discharge as members of the profession who were discharged before the Act came into force.

10. Provision is made for committees in each region empowered to make surveys of the conditions regarding health services in that region, as a guide to improve service under the health insurance plan.

11. The Commission shall have power to vary or modify the arrangements in any area where the general arrangements are not such as to provide for adequate service in that area.

12. If a person is entitled under Workmen's Compensation or any other arrangement, to benefits which he receives under Health Insurance, the fund is to be reimbursed by the person receiving the benefits or by the agency liable to pay them, to the amount of the services rendered or to the extent of the benefits payable, whichever is smaller.

13. The proposed administrative set-up is as follows:

(a) Health Insurance Commission.

(b) Deputy Minister of Health to be a member "ex officio".

(c) Members of the Commission to be representative of eligible persons, medical practitioners, dental practitioners, pharma-

cists, hospitals, nurses, industrial workers, employers, agriculturists, rural women, urban women, and other groups or classes, at least one representative to be appointed from each of the above groups after consultation with representative organizations.

(d) Administration to be provided from money paid by the legislature.

(e) Divide province into regions.

(f) Establish regional offices.

(g) Divide regions into divisions, each with a divisional office.

(h) Regional medical officers and assistant regional medical officers, to be officers of the Commission; to advise and keep in touch with practitioners and examine and satisfy themselves as to the accuracy of clinical and other records of hospitals and practitioners, with the purpose of investigating cases of alleged excessive prescribing, etc.

The important provisions of the draft Dominion bill embrace the following features:

1. Provision for grants to provinces if they make provision to utilize both the "Health Insurance Grant" and the "General Public Health Grant."

2. Dominion grants are calculated by deducting the amounts received from income tax levies for insurance contributions plus \$12 multiplied by the number of qualified adults in the province, from the average per capita cost of health insurance in Canada multiplied by the provincial population. It is provided, however, that if these average costs exceed a certain unspecified figure, grants will be calculated as above with the additional deduction from the grant of one-half the difference between the average cost and the specified amount times the population of the province. Thus if average costs exceed a certain figure to be determined, the Dominion is prepared to pay only one-half this extra amount.

The \$12 per capita contribution applies to every qualified person over 16 years of age, and it is left to the province to determine how it will raise the money.

In addition there is to be a tax on income which will amount to 5 per cent. for married and 3 per cent. for single persons, with maximum payments of \$50 and \$30 on the amount of income over \$1,200 and \$660 respectively.

Average costs are to be arbitrarily set at a certain amount until experience in actual expenditures has been obtained. After two years' operations are completed average

costs are to be calculated on the basis of the preceding two years' figures. Average costs are taken by dividing the total benefits expended during the two years by the population at the beginning of the new three-year period multiplied by two.

The province must set up a Health Insurance Scheme as outlined in the draft provincial bill or a scheme approved by the Governor-in-Council.

Saskatchewan Legislation, 1944

The Saskatchewan legislature passed enabling Health Insurance legislation in the spring of 1944 entitled The Saskatchewan Health Insurance Act, 1944. This Act follows closely the provisions of the Heagerty draft bill, but in much less detail, particularly with respect to provision of benefits, investigation of these matters being left to the Health Insurance Commission. It did not specify the personnel of the commission except that the Deputy Minister of Public Health was to be an "ex officio" member.

The duties of the commission were outlined as follows:

(a) Investigate the conditions throughout the province with respect to provision of benefits.

(b) Make necessary inquiries with a view to the establishment of Public Health Regions and Health Insurance Regions.

(c) Make tentative arrangements with hospital boards and professional bodies for the purposes of the Act.

(d) Report generally on ways and means, with estimates as to cost of the scheme.

The Act requires that every adult file a form at the request of the Commission. In the event that complete services cannot be given with the facilities or personnel available, the most urgent needs are to receive first attention.

The Commission is to have the powers conferred upon commissioners by the Public Inquiries Act.

Public Health Requirements

In order to qualify for Health Insurance grants, the provinces must also qualify for Public Health grants and provide a public health service as outlined in Schedule 3 of the draft proposals. Provision is made for grants for tuberculosis, mental diseases, general public health, venereal disease, professional training, investigational work and crippled children.

To enable the province to become eligible for Health Insurance grants the province has passed a physical fitness bill providing for a Saskatchewan Council of Physical Fitness, and has made its cancer clinic treatment free. These matters are dealt with in more detail under the Public Health section of the Report.

Critical Analysis of Health Insurance

In general, the provisions of the draft Provincial Health Insurance Bill contain nothing to which objection might be taken unless it is that the scheme is for health insurance instead of state medicine. An important reason for this is that most of the highly controversial questions are left to the provinces for decision. The other explanation is that the draft makes such provision for administrative organization and policy that within its terms a most comprehensive and integrated system of medical services could be instituted. Sufficient direction is also given for reviewing and supervising the provision of those benefits to secure the most economical administration. The success of the scheme will depend partly on the provisions embodied by the provincial government in its legislation, but more upon the quality of the administration, which is of the utmost importance. More than upon anything else, the success of the plan is likely to depend upon the enthusiasm and ability of the chairman and other members of the Commission and upon the officers employed by the Commission.

After due consideration the Council decided that a recommendation looking to the immediate adoption of a complete system of state medicine as opposed to the plan for health insurance would not be warranted. In reaching this conclusion several factors have received attention.

The cost element cannot be ignored and this feature is closely connected with the constitutional position of Saskatchewan as one of the provinces of Canada. On the one hand the budgetary position of the province indicates that no considerable extension of medical services can be attempted by the province in the immediate future while on the other hand the difficulties in the way of co-operation with the rest of Canada to the end of securing a complete national health service are quite apparent.

The State Hospital and Medical League made strong representations to the Council in favour of a system of state medicine and the claim was advanced that the cost of such a system would be lower than that of the proposed health insurance plan. The representative of the League has been requested to furnish cost details but according to a letter recently received pressure of other work has interfered with the preparation of

the estimate. In the result it was felt by the Council that Saskatchewan could not hope to finance a complete system of state medicine with her present financial resources even if a lower cost estimate is proved to be valid. It seems, too, that Dominion assistance for medical services in the near future will be contingent upon the province accepting the health insurance plan. This should result in a considerable improvement over conditions presently existing.

Another objection to complete state medicine at the present time is the lack of administrative experience in this field, which experience will be very necessary for success. In this connection, it might be pointed out that no workable scheme for state medicine has been submitted to the Council in sufficient detail to justify recommending its immediate adoption.

In addition, there has been very strong professional opposition to state medicine. While this, in itself, is no very good reason for rejecting it, such opposition would add greatly to the already large number of administrative difficulties such a scheme would encounter.

The Cost of Health Insurance

On the basis of population Saskatchewan's share of the estimated \$250,000,000 would amount to about \$19,500,000. This may be somewhat too low a figure since the recent drop in Saskatchewan's population may be only temporary. On the basis of the same population distribution, Saskatchewan's share of the estimated \$100,000,000 Dominion contribution would be about \$7,800,000.

This last estimate is probably too low since the size of the Dominion contribution to any province will be in inverse proportion to the amount of revenue that can be collected from income tax contributions, and Saskatchewan, with its comparatively low income, would probably come in for a greater proportion of the grant. Either from direct contributions or from provincial revenues, then, Saskatchewan might be expected to contribute a maximum of \$11,700,000 as its share of the \$250,000,000.

For the whole of Canada, the Heagerty Committee estimates that \$100,000,000 will be obtained from the contribution of \$12 for each adult, and \$50,000,000 from the income tax contributions. Saskatchewan's share of this \$100,000,000 is estimated at approximately \$7,534,972. (Note: Census figures break the age grouping at 15 instead of 16, so this estimate is a little high).

If administrative costs amount to the estimated 10 per cent. of total benefits, the provincial government will be liable to an addi-

tional expenditure for this purpose of about \$2,000,000. The drain on the provincial treasury will thus amount to \$2,000,000 plus any defaults in individual contributions, unless the province undertakes to pay the whole provincial costs out of government revenues with no attempt to collect the \$12 per adult levy separately. This is all on the assumption that Saskatchewan's costs for Health Insurance will be about average. If they prove to be higher or lower, the provincial government will find it has to pay correspondingly more or less. It is easily conceivable that the province might have to pay only \$2,000,000 or less out of public funds.

It is useless to attempt any prediction as to the accuracy of the estimate of \$250,000,000 as the cost of total benefits. It will probably depend mainly on how much money it is decided to permit doctors and other professional personnel to earn. The figure is based on costs of medical care in Canada in 1938 and it would seem reasonable to accept the claim of the College of Physicians and Surgeons that the estimate will prove much too low, if their recommendations, as to payment of doctors are also adopted. The recommendations of the College involve an increase in the incomes of most doctors, by their own admission, and in addition there will be new clinics and health centres and an increase in the number of doctors. There will also be more hospitals and a considerable increase in hospitalization, with new and better equipment in the hospitals.

It is claimed by the State Hospital and Medical League, and other organizations subscribing to their general views, that the set-up at present envisaged will be inefficient and cost far too much money. They claim that with the proper use of group medicine more efficiency in handling patients could be obtained and that better diagnosis would result in much saving of unnecessary treatment and surgical work. This matter will be discussed in more detail later but it may be stated at this point that it is doubtful if it will be found practical to institute the recommendations of the League.

In summing up, it seems likely that costs will be as high or higher than at present estimated. While under the scheme doctors may make more money than some think desirable, it is also true that Saskatchewan cannot afford to pay less than other provinces, as the competent physicians would, in that event seek other fields. Moreover, it must be remembered that a very comprehensive service is contemplated.

Collection of Revenue

Collection of the contribution based on income, along with regular income taxes, should present no special difficulties. How-

ever, the \$12 per capita levy is another matter. If the province undertakes to collect \$12 from each adult it will have on its hands an administrative problem of very sizable proportions and very expensive in proportion to the amount of revenue collected.

One solution is that municipalities be given the responsibility for collection. This method would be much less expensive and defaults would not be much if any greater. Many municipalities have been doing this for some years.

Both the above schemes have the double advantage of giving a sense of responsibility and proprietorship through payment of a specific contribution for health insurance and placing the incidence of charge where it should be. Neither of these conditions would be fulfilled if the money were supplied by the provincial government by a special tax or an increase in taxes. In the case of municipal collection the money would have to be raised as a special levy, and not as an increase in real estate taxes.

Payment of Doctors, Dentists and Other Personnel

There are three possible methods of paying doctors and other professional persons giving service on a like basis. They might be used separately or in various combinations. First, payment might be made on the basis of fees for each service rendered, according to a schedule of fees agreed upon. Secondly, the panel, or capitation fee method might be used, where each person has his own doctor, paid so much per annum for attending to his requirements. Thirdly, salaries might be paid by the Commission.

To the last there is the very strong objection that all doctors become employees of the state, with earnings subject to a pre-determined salary scale and the Commission's estimate of a doctor's monetary worth, rather than subject to variation with the amount of service the doctor is called upon to render. The method has the advantage, however, of bringing costs under the direct control of the Commission, making them subject to accurate determination, and giving a larger measure of control over the organization and provision of medical services.

Capitation fees are not very desirable in Saskatchewan where there are large areas of scattered population with only one or two doctors available to a community. Under such conditions there is little point in employing this method of payment since the number of patients to a doctor in rural districts is so nearly determinable that salaries might as well be paid. The objection applies, also, that payment is not related to the amount of service rendered.

Finally, the fee-for-service method of payment is the one generally recommended by the College of Physicians and Surgeons. Exceptions are doctors in institutions, and doctors in areas where the number of patients is not sufficient to support a doctor on this basis. They would also approve a modified scheme for rural districts of hiring doctors on a salary basis for general practice with extra fees for surgery and special services. They recommend a minimum salary of \$6,000 which, even ignoring extras, is considerably more than now paid under municipal schemes, the average salary being \$4,045, ranging from \$2,200 to \$5,000. For specialists, the only alternative to fee-for-service is payment by salary, but this class of doctors is most strongly opposed to this method.

One problem in connection with fee-for-service is determining a schedule of fees. The College recommends 75 per cent. of their 1942 schedule for all fees over \$5. Considering that payment is guaranteed there should certainly be some reduction, although whether 25 per cent. is enough is difficult to say. In any case the schedule should be set on the basis of some assumed average income level considered desirable.

Doctors are a highly trained class with a great social responsibility, for the assumption of which they should be paid, but it is not necessary that the profession be markedly lucrative since its security will be definitely assured under health insurance. There are many professions requiring great skill and knowledge, with as great an altruistic interest to the person engaging in them, which do not provide by any means an equivalent income.

There is some reason to believe that present rates of payment for specialist services such as major operations are entirely out of line with other fees in the schedule, and would be even more so under Health Insurance, where payment was guaranteed. This should be borne in mind when the schedule of medical fees is revised under the health insurance plan, and steps taken to correct the situation.

For doctors in sanatoria, mental hospitals, cancer clinics, etc., salaries recommended by the College range from \$6,000 to \$10,000, depending on training. For staff physicians, salaries up to \$8,000 are recommended in these institutions.

The Commission should at all times keep in mind the fundamental need for obtaining competent personnel, distributed uniformly throughout the province.

Personnel of the Health Insurance Commission

There has been a considerable amount of controversy regarding representation on this

Commission. The draft bill provided for 11 members, with a majority of professional persons, including 2 medical men of whom the chairman is one. Organizations like the State Hospital and Medical League claim that such a Commission should be headed by a layman, since the service to be provided is received and paid for by laymen. With proper medical advice when needed a layman is quite competent to administer such a scheme. On principle, and other things being equal, there is much to recommend this point of view. The most important thing, of course, is to get a chairman, whether layman or doctor, who is highly qualified to do the job and who will bring to it genuine enthusiasm and a sincere desire to improve the service. Should the Commission be headed by a medical man who is principally concerned with looking to the interests and independence of his profession, the results might be very regrettable.

Administration

As proposed in the draft bill and briefly outlined in the Saskatchewan Act, the province will be divided into administrative regions and further into districts or divisions. Regional and district medical officers are provided to advise, investigate and promote co-operation with other services. In a scheme of this kind it is highly desirable that constant and intimate contact be maintained with all parts of the province to ensure its smooth and adequate operation. Gaps in the service may not only be inconvenient but fatal and no effort should be spared to see that the health of the people of this province does not suffer from administrative negligence or tardiness. In order to prevent this, it is generally recommended that as much as possible of the administrative work be done at the regional level. Records should be kept at regional offices, where they could be checked to ensure economical administration, and where claims for payment be passed. The regional offices should be the main centres of operation. This has also the advantage of bringing the people of the province into closer contact with the scheme.

Regarding the records, a problem is encountered in the possible infringement on professional ethics. It is firmly maintained by the medical profession that no one should have access to patients' case histories except their own physician. For statistical purposes, however, it would be of the utmost value to have complete records of morbidity. Records of prescriptions given by doctors, and other information, would also be useful in analyzing costs and ensuring the efficient administration of the scheme.

Medical Specialization

It has become apparent to the Council that there are at present no definite professional

qualifications for doctors who set up as specialists in one field or another, the only control apparently being their reputation in the field in which they claim special knowledge, and their consequent popularity. This is not, in the opinion of the Council, a sufficient safeguard for one seeking the services of a specialist, and it therefore believes that some machinery should be devised to assure a standard of qualifications for doctors wishing to practise as specialists in any particular field.

Clinics and Group Practice

Determination of desirability of clinics, and their best location, must be left to the Commission, which, with experienced men is best qualified to say what should be done. It is claimed that by not utilizing to the full the advantage of clinical practice great waste of money and health is involved. This waste is mainly due to difficulty of an isolated doctor making an adequate diagnosis in many cases. Saskatchewan's scattered population, moreover, makes an exclusively clinical practice out of the question. Provision should be made for the establishment of clinics at regional centres, with doctors in the employ of the Commission, where it appears that these can perform a useful function.

Dental Benefits

The principal problem in the provision of dental benefits is the shortage of dentists. The number now available could not be expected to provide a complete service. It is generally accepted that a most important feature is to secure that pre-school and school children obtain complete service, since this is the time when preventive service is most needed, and most effective. Benefits can be extended to other groups as dentists become available. Payment of dentists could probably best be provided by a fee-for-service based upon a suitable schedule of fees.

Pharmaceutical Benefits

The provision of drugs is carried on by druggists in the province, most of whom have a subsidiary business in toilet articles, refreshments and other goods. It was pointed out by the Saskatchewan Pharmaceutical Association that these subsidiary activities are necessary in any but the largest centres, if a druggist is to make a living. Even in urban centres, many probably could not operate without their subsidiary sales activities.

In the larger centres where prescribing could be concentrated in a smaller number of establishments savings would be possible,

but only at the cost of considerable disruption of the retail drug organization. This, however, is not really an argument against making such savings. One group particularly, the co-operative stores, is desirous of entering the drug business but has been prevented by regulations regarding druggist-ownership. This question is discussed in more detail in a later section, but it may be stated here that co-operatives probably should be allowed to enter the business.

Great care should be taken to see that drug prices are not excessively high, taking into account the costs which a pharmacist incurs in stocking them; and to see that as far as possible doctors are encouraged and required to prescribe the right quantities, and least expensive medicines to serve the purpose. Use of expensive proprietary medicines that can be prepared more cheaply by the local druggist should also be discouraged.

Nursing Benefits

With respect to health insurance the principal recommendation of the Saskatchewan Registered Nurses' Association was that nurses be included in the scheme as a separate service, and not simply as part of the hospital staff. This, we believe, is satisfactorily provided for in the draft bill.

Insofar as it will have a substantial effect on cost, it is probably appropriate at least to mention here that consideration should be given to payment of higher wages to nurses, especially those in training. Throughout her training a nurse contributes a great deal of valuable service. Her wages from the commencement of training should at least equal those of a good domestic worker.

Nurses' accommodation, hours of work, and other questions are dealt with under Professional Standards and Personnel.

Special Services

Optometry—There is no specific provision under the proposed scheme for optometric benefits. It is probable that under present regulations, treatment could be obtained from medical refractionists for pathological conditions or definite abnormalities, but services of optometrists are not provided for. The Saskatchewan Optometric Association has asked the Council for inclusion, and in its opinion the optometrists' service should be included.

While the Council has been unable to obtain accurate information regarding arrangements for prescription and sale of glasses, it believes that prices charged at present may be too high. An investigation into their manufacture and distribution is needed.

Chiropody—Representations have also been made to the Council asking for the inclusion of this group in any health insurance scheme instituted. They claim to be a highly skilled and specially trained profession capable of rendering a unique service to the population. Investigation should be made as to the advisability of their inclusion.

Chiropractic and Osteopathy—These practitioners do not seem to have even the limited recognition from the medical profession claimed by chiropodists. However, an investigation into the nature of the services rendered by them should be made with a view to their possible utilization.

General

The Council endorses the principle of state-aided health insurance and in general approves the recommendations of the Heagerty Committee and the provisions of the Saskatchewan Health Insurance Act.

PUBLIC HEALTH

The Heagerty Proposals

The Heagerty Report deals incidentally with some aspects of public health but its main contribution in this field was to recommend that no province could qualify for health insurance grants unless it provided a complete public health service. In the Third Schedule of its draft proposals it lists these services:

1. Preventive.
2. Consultive (Communicable disease).
3. Educational.
4. Mental Hygiene.
5. Food and Drug Control.
6. Nutrition.
7. Laboratory.
8. Sanitation.
9. Vital Statistics.
10. Hospitalization and Sanatoria.
11. Dental Hygiene.
12. Quarantine.
13. Child and Maternal Hygiene.
14. Industrial Hygiene.
15. Public Health Nursing.
16. Housing (supervise plans).
17. Venereal Disease.
18. Tuberculosis.
19. Cancer.

In addition the draft proposals provide for grants for public health as given below. The Dominion contribution is given in brackets.

1. General Public Health—(25 cents per capita or unstated percentage of provincial expenditures, whichever is the lesser).
2. Tuberculosis — treatment — (1/9 of provincial expenditure).
3. Mental Diseases—treatment—(1/9 of provincial expenditure).
4. Venereal Disease—(.017 cents per capita).
5. Professional Training—(on basis of need).
6. Investigational Grant — (at need, with a maximum per investigation).
7. Crippled Children — (\$250,000 for Canada, divided on a per capita basis).

All the figures given except the one for crippled children are taken from the original published report of the Heagerty Committee, and are not contained in the draft bill actually presented for the consideration of the House. It will be noted that 25 cents per capita for general public health would amount to a grant for Saskatchewan of well over \$200,000 while actual expenditures in 1942-43 amounted to only \$197,241 for administration, public health nursing, sanitation, disease prevention, Division of Laboratories, Registrar General and Health Services Board. It is unlikely, then, that Saskatchewan will be eligible to receive this maximum 25 cents grant, at least for some time.

If the venereal disease grant finally determined upon should be .017 cents per capita, Saskatchewan would receive over \$15,000 compared to an expenditure of \$20,203 in 1942-43. The grant would enable a very substantial increase in this service to be carried out.

With the present inadequate provision in Saskatchewan for the treatment of mental diseases, the grant of 1/9 of provincial expenditures will not suffice by itself to bring services up to their proper level, and it will be necessary for the province to make large additional expenditures in this field.

Present Provincial Services

A. Preventive Health Services carried out under the authority of The Public Health Act and The Venereal Diseases Act, consist of maintaining two trained field crews investigating the prevalence of encephalomyelitis and sylvatic plague.

B. Public Health Nursing is carried on by about 21 nurses, especially trained in their field and chosen with regard to char-

acter and personality qualifications. Their work consists of a wide variety of activities in the inspection and care of school and pre-school children, and nursing services in districts where needed. They also conduct home nursing courses for adults, inspect nursing homes and private hospitals, consult with local school and other health officials and generally assist in any community health programme.

C. The Division of Sanitation maintains a system of health services including investigations, enquiries into the causes of disease, the prevention and suppression of communicable diseases and advice and direction to boards of health. Specific activities are supervision of food and water supplies, waste disposal and sewage, and all matters whereby the health of the public may be protected by engineering improvements and public cleanliness.

The Division employs eight qualified sanitary officers, one public health engineer in the field, a director and clerical staff. An assistant engineer is needed, but trained personnel are very scarce.

D. The Division of Communicable Diseases compiles statistics on communicable diseases, gives advice and information to other divisions of the Department, local medical and health officers, municipal councils and others, and distributes a number of serums, toxins and anti-toxins.

E. The Hospital Administration Branch is charged with the supervision of hospitals, including the compilation of statistics.

F. The Division of Venereal Disease maintains free treatment clinics at Regina, Saskatoon, Moose Jaw and Prince Albert. Nurses and orderlies are permanently employed and doctors on a part-time basis. In Swift Current a physician carries on this work on a part-time basis. Drugs are provided free of charge to physicians for indigent patients, provided they are reported to the Department.

At the present time the Department obtains the fullest co-operation from the military authorities regarding venereal disease prevention. The Venereal Disease Control Officer for M.D. No. 12, the Saskatchewan district, reports all cases of civilian contacts discovered, and these are checked by the Department. All seriological examinations are made at the Government laboratories, for civilians and the military.

G. The Office of the Registrar General is charged with the collection and compilation of vital statistics, and administers the Vital Statistics and Marriage Acts.

H. The Division of Laboratories provides a number of free services to physicians and surgeons in the province, and to medical

officers of health, police, coroners and other departments of government. The director of the division is a highly trained biochemist and technicians and assistants are trained for the work in the laboratory. Technicians are trained also for mental hospital laboratories.

I. Mental Health Services. The Department controls the administration of the Battleford and Weyburn Mental Hospitals. It also maintains a psychopathic ward in Regina General Hospital wherein a part-time physician is employed. In addition, the hospital is guaranteed against loss, if any, in the operation of the ward. The ward is at present operating at no cost to the Department, and has been for over two years. In practice, the ward is not represented to patients as a government project, but as a special ward in the hospital.

J. The Saskatchewan Cancer Commission operates clinics at Regina and Saskatoon and recently this service was made free.

K. The Health Services Board consists of a representative of the College of Physicians and Surgeons, a representative of the Saskatchewan Association of Rural Municipalities and the Deputy Minister of Public Health. It approves municipal bylaws and agreements covering municipal medical and hospital services and is also charged with compiling information on the needs of the people of Saskatchewan for those services.

Public Health Needs

There is no doubt that public health services in Saskatchewan are inadequate at the present time. The returns from a programme of public health are large in proportion to the money expended and therefore such expenditures should be made with little hesitation. An additional incentive is now provided by the proposed Dominion health insurance legislation, whereby grants will be provided for a part of the work, contingent upon the enactment of a full public health programme by the province.

In its report on Public Health in Manitoba, the American Public Health Association makes the following statement:

"The eventual worth of any provincial or state public health programme will depend upon its success in establishing or having established adequate full-time local health service."

In Saskatchewan, in most of the smaller centres of population and in rural municipalities, the local medical practitioner is the local health officer, and between him and the Provincial Department of Health there is no regional organization to co-ordinate activities in an area. There are a public

health engineer, sanitary officers, and public health nurses in the field, but they cannot fill the need for some more permanent and systematic type of organization.

Probably the principal needs in Saskatchewan are a system of full-time local health units, and an active programme of health education to promote their work, and make the public conscious of the services they render. A careful distribution of these units throughout the province, should do much to improve the situation notwithstanding sparsity of population.

Medical health officers should as far as possible be full-time employees. It has been suggested that larger units of municipal administration would contribute substantially to the efficiency of public health service.

The greatest efforts should be made to train public health personnel for work in the province, but special appropriations would be required for this purpose. Also, there is a need for close co-operation between public health and welfare agencies.

Several briefs submitted to the Council made general recommendations regarding public health. The idea of health centres found considerable popularity among municipal organizations and others, and extension of education in public health was often suggested. The establishment of health centres in their communities was recommended by Maple Creek, Weyburn, Yorkton, Lucky Lake and Regina.

The Department of Public Health has submitted cost figures for 25 to 30 health units, which they consider the ultimate objective. They estimate the capital cost at about \$150,000 and the current operating costs \$500,000. They recommend the establishment of 16 units as soon as possible, eight urban and rural, and eight rural, to cost \$298,000 annually.

Sanitation

Separate consideration should be given to sanitation because there were a great many recommendations concerning this field of public health, and because considerable construction work is involved in carrying out the proposals, consisting principally of laying and repairing sewer lines and construction and repair of sewage disposal plants. At least four disposal plants were definitely proposed, and a greater use of such plants to prevent pollution of water was recommended by two organizations.

Increased supervision of public eating places, swimming pools, industrial sites, and other public places was recommended. The College of Physicians and Surgeons also

pointed out that improvement in sanitary facilities in small towns is the first step toward better housing.

Public Health Nurses

Public health nurses in this province are generally conceded to be doing an exceedingly valuable job, and many recommendations have been made that their number be increased. A more complete service is desired, particularly in the inspection of school children. More nurses should be available for visiting, as with their other duties, they do not at present find much time for this type of work.

Salaries are usually less than \$1600 a year, which would seem too low for a registered nurse who has had special training. Moreover, these nurses are required to take their special courses at their own expense, which, together with the small salary, discourages many from entering the work.

Venereal Disease

In the opinion of the College of Physicians and Surgeons, the venereal disease prevention and treatment service of the province needs extension and improvement. It should be assured that this service is made easily available, and educational work carried on continuously. The College of Physicians and Surgeons also recommends increased provision for the treatment of venereal disease among the Indians. This is a Dominion problem but is mentioned here for reference.

There are a number of preparations, such as urinary antiseptics, that are sold legally by all drug stores and used for the private treatment of venereal disease, particularly gonorrhea. All the major drug companies manufacture one or more of these preparations, which are, to a degree, effective in the treatment of the disease. However, it is desired that a thorough-going control of venereal disease treatment be maintained, and the Council suggests that further evidence be obtained by the Department of Public Health and the College of Physicians and Surgeons on this question.

School Health Services

School health services are basic to a public health programme and accordingly have received particular attention. These services include increased inspection of school children for eye, teeth and medical defects, with follow-up work to ensure attention. They also include increased and improved instruction in health principles and habits, and physical training.

Specific improvements recommended to the Council were: More public health nurses assigned to schools; inspection of the feet in medical inspection procedures; the inclusion of more health teaching in school curricula; care of the eyes, particularly among public school children; provision of glasses for children who need them; control of pediculosis, impetigo and scabies among school children.

More instruction in nutrition, and the provision of school lunches were recommended. It is suggested that in smaller schools at least, lunches might be prepared by the pupils under supervision and the opportunity taken to give instruction in cooking and nutrition. Facilities for carrying on such a programme are probably not available at present in many schools, particularly in rural districts, but wherever possible and particularly when new schools are built, they should be provided.

Heart Clinics for Children

Recommendations that heart clinics be set up for the treatment of pre-school and school age children, deserve attention. The College of Physicians and Surgeons pointed out that the problem of heart ailments in children is a very serious one, at present more so than tuberculosis, and special steps are needed to deal with it.

It is a moot point whether these clinics should be considered as specialties like cancer and tuberculosis, to be dealt with by the Department of Public Health, or entrusted to the Health Insurance Commission. The first alternative, however would seem preferable, as more in line with the division of functions between the two organizations.

Preventive Services and Communicable Diseases

It has been recommended by several groups that activity in the field of preventive medicine and communicable diseases be increased. The need for increased service is borne out by statistics, which show that mortality from communicable diseases, although it has shown a decline in the last several years, is still far from minimum levels. Nor do mortality figures tell the whole story, for diseases like measles and scarlet fever while not proving fatal, may have serious permanent effects on the health.

The College of Physicians and Surgeons recommends "A continuation of public health

campaigns with particular reference to epidemic and pandemic diseases, especially respiratory diseases." They also recommend increased tuberculin testing of cattle, extension of by-laws for pasteurization of milk, and an educational campaign in pre-natal and post-natal care and management and preventive medicine, with particular reference to children of pre-school age, including vaccination and immunization.

While education of the public should be the principal means of ensuring that the fullest use is made of services provided, there is a great deal to be said for making immunization for some communicable diseases compulsory, since the health of many persons is at stake. No compulsory measures should be carried out, however, unless they have full scientific sanction and a large measure of favourable public opinion. It is suggested at least that immunization for diphtheria and vaccination for smallpox be compulsory. Health authorities should also have the power to compel immunization for other diseases when, in cases of epidemic, they consider it necessary for public safety.

Nutrition

Nutrition has come into increased prominence in the last few years, and services in this field are being more and more widely demanded. Research, publicity, adult education, and school instruction are all fields for increased activity. It has been recommended that research be undertaken putting special emphasis on Saskatchewan grown foods from a nutritional standpoint, and ascertaining what imported foods are necessary for adequate diet. It has also been recommended that investigation be made into the nutritive value of imported fruits and vegetables picked while green.

Mental Hygiene

One service in which considerable amount of money must be expended is mental hygiene, including care of mental defectives and operation of mental hospitals. Separate facilities for mental defectives, increased space for mental patients, and mental hygiene services are badly needed. Regina has a psychopathic ward, but no full-time psychiatrist, nor is any specialist in psychiatry attached to the hospital.

The need for a new mental hospital is well illustrated by the following figures:

Mental Hospital	Number of Patients		Inc. in 10 Years	Present Accommodation	Extent of Overcrowding
	1942-43	1933-34			
Battleford	1,689	1,180	509	900	789
Weyburn	2,462	1,526	936	1,300	1,162
Totals	4,151	2,706	1,445	2,200	1,951

Of the present patients about 800 should be placed in an institution for mental defectives. Such an institution, undoubtedly a colony farm, could be built much more quickly and easily than a mental hospital, and would relieve congestion considerably.

Two proposals have been put forward: The first, proposing a 2,000 bed mental hospital and a colony farm for mental defectives with accommodation for 1500, was put forward by the Department of Public Works; the second a mental hospital and a mental defective institution, each with 1500 beds was proposed by the Department of Public Health.

These two departments share the cost of operating existing institutions. In 1942-43, expenditures were as follows:

	Dept. of Public Health	Dept. of Public Works
North Battleford	\$ 326,537	\$ 444,662
Weyburn	321,353	450,937
Total	\$ 647,890	\$ 895,599

The Department of Public Health estimates the operating costs per annum for its proposed institutions at \$295,000 each, or a total of \$590,000. The Department of Public Works estimates \$450,000 annually as its share of the cost of operating its proposed mental hospital. It gives no figures for the colony farm, but, we may assume, they would be much less. On the basis of these very rough estimates the complete set-up would probably cost something less than \$3,000,000 annually.

The construction costs of the two new institutions are given by Public Works at \$5,000,000 for the 2,000 bed mental hospital and \$1,950,000 for the colony farm, or a total of \$6,950,000. They calculate that in all it will take 4 to 5 years to construct the mental hospital, if work is started right away.

The Department of Public Works also recommends a \$60,000 addition to the administration building at North Battleford, improvements to the water supply at Weyburn costing \$350,000, cattle and horse barns at the mental hospital at Weyburn costing \$35,000 and a new cattle barn at Battleford costing \$30,000.

Dr. S. R. Laycock of the University of Saskatchewan presented a brief on Mental Hygiene Services, part of which will be discussed in this section. He suggests a training school for mental defectives, to accommodate 800, built on the cottage plan costing, he estimates, \$2,400,000. This is more elaborate than the Public Works Department proposal, being for training, not residential purposes. It is, therefore, more an addition

to the colony farm than a substitute for it, and would take care of mental defectives of whom Dr. Laycock estimates, there are 6,500 in Saskatchewan. He believes some 1600 could profit by training, and some even take their place in the world under suitable circumstances.

Dr. Laycock also suggests that to deal with the many cases of mental maladjustment, representing very mild forms of insanity, there should be child-guidance clinics established in Saskatoon and Regina at an estimated cost of \$30,000. These could prevent a great deal of unhappiness and save many from ultimate confinement in an institution.

In all aspects of mental hygiene, from mental hospitals to child guidance clinics, there is a great need for psychologists and psychiatrists. As it is doubtful if a sufficient number could be found to fill even present needs, the training of such personnel should be encouraged.

The Department of Public Health recommends the establishment of Mental Hygiene Clinics, presumably very similar to Dr. Laycock's Child Guidance Clinics, but not so definitely designed for the treatment of children. The Department states that the development of these clinics is not practicable until accommodation is provided for both mental defectives and mentally deranged patients, but this would not seem to apply to the treatment of children for minor mental disorders. The Department wants several of these clinics strategically situated throughout the province, and estimates their operating cost to be \$25,000 a year.

Tuberculosis

Saskatchewan is fortunate in having a highly efficient system of tuberculosis control and treatment, carried on by the Anti-Tuberculosis League. Treatment in sanatoria is financed by payments from Dominion Government wards, local improvement districts, rural and urban municipalities and the Provincial Government. Total estimated expenditure for 1944 is \$762,016. Preventive work, in which the League has shown great energy and initiative, is financed by revenue from Christmas seals, the endowment fund and other donations. Expenditures for this work in 1942 amounted to \$49,459.

The effectiveness of the League's programme is demonstrated by the fact that for some years Saskatchewan has had the lowest death rate from tuberculosis in the world. One recommendation was made by the League, namely, that an after-care home for elderly infectious patients be built to make beds in the main sanatoria available for curable cases.

Cancer

The Saskatchewan Cancer Commission is at present employing highly trained men, especially at Regina, and with the institution of free treatment this aspect of the public health programme seems to be adequately taken care of.

Other Services

Several other health services should be mentioned in this section. The Canadian National Institute of the Blind, Regina, has recommended facilities and funds for treatment of serious eye cases where patients cannot pay their own expenses. This service should not be needed with health insurance. They also recommend glasses for school children and sight-saving classes in large urban communities.

The Saskatchewan Association of Chiropractors recommends the use of chiropractors in an advisory capacity in athletic and physical fitness programmes and in teaching shoe salesmen how to fit shoes properly.

HOSPITALIZATION

Present Hospitalization in Saskatchewan

During 1942 there were in the province 81 general hospitals, 3 sanatoria, 10 Red Cross hospitals, 21 private hospitals and nursing homes, 3 maternity hospitals and 4 convalescent homes.

The 21 "private" hospitals include community and municipal hospitals so classified because they are not approved by the Department of Public Health and consequently receive no grant from the Department. Maternity hospitals and convalescent homes receive no grant.

The general hospitals of the province are classified as follows:

Union Hospital Districts	22
Roman Catholic Sisters	18
Community	25
Municipal	9
Doctors	3

United Church	3
Presbyterian Church	1
Total	81

(Note—These are the latest published statistics, for 1942. Since that time two hospitals have closed, a community hospital at Rouleau, and a United Church hospital at Wakaw.)

The general hospitals had, in 1942, a bed capacity of 3,234, and there was a bed complement of 3,446 adult beds, 332 cribs and 670 bassinets. In addition the Red Cross outposts had a bed capacity of 89 and the sanatoria 713.

"Bed capacity" is a calculation based on the size and structure of the hospital building, and is not dependent upon the number of beds actually in the hospital, described as the "bed complement". As a rule the figures for bed capacity which are used here are taken from the statistics of the Department of Public Health. In the case of the Queen Victoria hospital at Yorkton, however, proposals for which will be discussed later, the figure of 100 "bed capacity" is taken from the briefs submitted by the Yorkton Hospital Board. The Department of Public Health figure is 84.

The situation regarding hospitalization facilities is in a continual state of change, and during 1942 community hospitals were opened at Balcarres and Paradise Hill. The Balcarres hospital has a capacity of 10 beds. Additions were also made at Swift Current of a 20-bed wing; Wadena, a 30-bed wing; Regina Grey Nuns, an 85-bed wing; Estevan, a 5-bed isolation department, and Melville, a new 55-bed hospital. With the hospitals at Wakaw and Rouleau now closed, the present bed capacity of general hospitals only in the province is about 3,320 beds, or 3.70 per 1000 of the population.

During 1942 the general hospitals and the Red Cross outposts operated at an average of 68.3 per cent. of bed capacity, 19 hospitals operated with a bed occupancy of over 80 per cent., which is considered the limit of safety. Wadena and Estevan only of these 19 made additions to buildings in 1942. The following table shows hospitals with over 80 per cent. bed occupancy, and those which have signified their intention to build, with proposed and present bed capacity.

	Bed Occupancy Per Cent.	Intend to Build	Present Bed Capacity	Proposed Bed Capacity
Shaunavon	87.5	"	21	42
Meadow Lake	110.6	"	15	?
Moosomin	83.8	"	15	25-40
Lloydminster	103.0	"	42	80
Kindersley	81.1	"	28	40-50
Canora	90.4	"	45	65-70
Cabri	83.1	"	14	25
Nipawin	81.9	"	18	25-35
Rabbit Lake	99.2		10	
Rose Valley	115.5		10	
Kamsack	80.1		15	
Kelvington	86.2	"	10	
Kerrobert	84.8		18	
Lashburn	103.2		16	
Lestock	112.1		10	
Estevan	84.0		45	
Wadena	114.2		60 (1)	
Macklin	89.7		25	
Yorkton	85.0	"	84	200
Melfort	76.9	"	40	100
Bienfait	71.0	"	12	25
Prince Albert Victoria.....	70.7	"	82	?
Regina Grey Nuns.....	64.9	"	348	?
Regina General	74.6	"	373	?

(1) This is the capacity including the new 30-bed wing. The percentage figure for bed occupancy is based on 30 beds.

(Note—The Department of Public Health has stated that hospitals also are definitely needed at Rabbit Lake, Rose Valley and Kamsack).

The addition to be made at the Prince Albert hospital is being built by the Department of National Defence as an active army hospital. It will by agreement become the property of the hospital one year after the war. The proposed extension to Regina General Hospital will be built by the Department of Pensions and National Health, to be used as a hospital for military casualties. It is to be operated by the hospital but owned by the Federal Government.

The hospital at Nipawin is in process of construction.

It should be remembered that this analysis is based on statistics now available. Without statistics, it is known that an all-time peak in hospital attendance has been reached and many hospitals whose bed occupancy was at a safe level in 1942 have since reached the danger point. This is further noted in section dealing with submissions to the Council.

In 1942, for the first time in many years, revenues of hospitals exceeded expenditures. Total revenues amounted to \$3,363,706 and expenditures to \$3,359,015. This situation is continuing and many hospitals are finding it possible to consider expansion due to the fact that they have been able to accumulate reserves.

The Need for Hospitalization

The demand for hospital accommodation has increased very greatly in recent years, and last winter reached an all-time peak. Many hospital officials attribute this to the fact that people now have sufficient money to pay hospital bills and are coming in for treatment they could not previously afford. It would, therefore, seem reasonable to assume that if overall health insurance is inaugurated, this high level of demand will continue. It is also well to remember that with health insurance imminent, and with a large post-war programme of public works probable, many towns will be tempted to ask for hospitals even though they have no great present need, and all demands for increased facilities therefore cannot be accepted as entirely valid without careful investigation.

In examining the need for hospitalization there are two main sources of information available. These are statistics, and evidence from briefs submitted to the Council.

(a) The number of beds per 1000 persons in Saskatchewan averages 4.8, compared with 6.6 in Alberta, 5.5 in Manitoba and 7.5 in British Columbia. These higher figures in themselves indicate that increased hospital facilities are needed in Saskatchewan.

A break-down of Saskatchewan figures by census divisions reveals considerable disparity in the facilities available in various districts. The worst districts are No. 2 with 2.3, No. 5 with 1.8 and No. 10 with 2 beds per 1000 population. These are all settled districts. No. 10 and part of No. 5 together cover a considerable portion of crop district No. 5, the only area for which the Council has received overall proposals.

The North-Eastern Saskatchewan Medical Association prepared material and made proposals for this area. In it there are 2.5 beds per 1000 population. They claim that to bring the number of beds up to the standard for Saskatchewan would require an increase to 800 beds, and specifically recommend the addition of 420 beds to bring the present 395 up to 815.

The Association states that free hospitalization would necessitate about 10 beds per 1,000 of the population, or 1,500 beds for crop district 5. This statement, if accurate, gives some indication of the expansion of hospital facilities needed.

The immediate programme for this area, it is estimated, will cost from \$400,000 to \$600,000. Hospitals would be built at twelve new locations and accommodation increased at all the others. It is proposed that the Queen Victoria Hospital at Yorkton, the largest centre in the district, be enlarged from 100 to 200 beds at an estimated cost of \$250,000. The following is a list of places where the Association recommended new hospitals or increased accommodation be built. Figures in brackets indicate the present number of beds.

Rose Valley	25	(23)
Kelvington	25	(15)
Endeavor	10	
Preeceville	15	(10)
Norquay	10	
Quill Lake	15	
Wadena	70	(45)
Invermay	15	
Canora	85	(59)
Kamsack	60	(30)
Wynyard	25	(15)
Foam Lake	25	(10)
Theodore	15	
Yorkton	200	(106)
Saltcoats	15	
Langenburg	15	
Wishart	15	
Lestock	20	
Ituna	15	
Melville	70	(60)
Cupar	15	
Balcarres	15	(5)
Neudorf	15	
Esterhazy	25	(17)
Total	815	(395)

(b) In briefs submitted to the Council there were a great many recommendations concerning specific sites for and improvements to hospitals. There were also a number of general recommendations concerning hospitalization.

A suggestion with merit is the construction of nursing homes for incurable and aged occupants of our hospitals thereby releasing accommodation greatly needed and making considerable savings possible.

Several groups have recommended that military hospitals be utilized by the province after the war. These are excellently equipped and in most cases so located that they could be very useful. In cases where the buildings could not be used, there is much first-class equipment of great value to hospitals and clinics throughout the province.

One military hospital ideal for peace-time use is located at Maple Creek, just across the road from the municipal hospital. There are also Air Force hospitals of some size at Dafoe and Mossbank, which the Council is not prepared to say could be used without further investigation, but which have distinct possibilities. Smaller units located at Eston, Weyburn, Swift Current, Moose Jaw, North Battleford, Yorkton and elsewhere, all contain equipment probably useful to Saskatchewan hospitals.

The Council recommends that, before disposing of hospitals or their equipment, health authorities in the province be consulted to see whether or not Saskatchewan has a particular use for them, and if so, they be disposed of to localities needing them.

Generally increased accommodation was recommended, and it was specifically suggested that attention be given to increasing accommodation in northern and outlying areas presently remote from hospitals. State hospitalization was also advocated.

With the inauguration of a complete medical course at the University there will be a need for more hospitals for training internes. At Saskatoon particularly, a hospital contiguous to the College of Medicine will be desirable. Finally, it was recommended that more hospitalization for the Indian population be provided.

Interesting statistics have come to the attention of the Council showing that small hospitals in rural areas do a great deal of work not only in maternity and medical cases, but also in major and minor surgery, their mortality rates comparing very favourably with those of large urban hospitals. The percentage of deaths within 10 days of operating was .92 for city hospitals and .93 for others. The percentage of deaths to

admissions was 3.1 for city hospitals and 2.75 for others. Daily average operating costs were \$3.13 in the cities and \$2.91 in the small hospitals, all figures being for 1940.

The point may be made, and it would seem to have considerable validity, that the existence of a large number of smaller hospitals, rather than too great a centralization of hospital services, is one of the best assurances that good and enthusiastic doctors are obtained for small communities and rural areas.

Besides the suggestion of the North-Eastern Medical Association for hospitalization at 24 points as dealt with above, 16 separate recommendations were made for the building or improvement of hospitals. Only Saltcoats and Yorkton in crop district No. 5 presented independent requests for hospitalization. The locations of these hospitals with such details of the proposals as were given, are listed below:

1. Lucky Lake—Nearest hospital now 100 miles distant.
2. Saltcoats—Cottage hospital requested, nearest hospital accommodation now 25 miles away. 15 beds are needed.
3. Wawota—Small hospital.
4. Assiniboia—Enlarge Union Hospital—especially if health insurance is inaugurated.
5. Moose Jaw—Replace original part of present hospital building and staff annex. It was also recommended that the nurses' residence be replaced, but this is already being done.
6. Regina—Addition to Regina General Hospital, 350 beds at a cost of \$550,000.
7. Weyburn—Isolation ward, 50-75 beds (convert airport hospital, \$10,000); nurses' home, \$10,000; maternity ward, \$25,000.
8. Mayfair—Out-hospital.
9. Meadow Lake—Hospital.
10. Blenfait Village—Hospital, 25 beds—cost \$30,000.
11. Medstead—Hospital.
12. Turtleford—Improve and enlarge hospital.
13. Melfort — 100 additional beds — cost \$60,000 to \$70,000.
14. Yorkton—Queen Victoria Hospital—100 beds—cost \$250,000.

15. Swift Current—New hospital on Union Hospital plan—\$200,000.

16. Lloydminster—New 75-bed hospital.

In general, evidence presented to the Council in connection with requests for hospitalization showed that in most parts of the province, and particularly in the smaller centres there is serious overcrowding and a decided need for better accommodation for maternity and isolation cases.

One type of facility that the Council found often entirely lacking and always seriously crowded was the maternity ward. The development of proper maternity hospital service is a process that is not yet complete and the present demand cannot be blamed for all the conditions found. The number of births has increased considerably, and more are undoubtedly being hospitalized than in previous periods.

The birth rate fell steadily since 1926-30, until 1943, when there were according to latest figures, 18,504 births compared with 18,189 in 1942. Official statistics, not yet available for 1943, may increase the above figure by as much as one or two hundred. Special attention must be given to hospital treatment of maternity cases because of the necessity of preventing the spread of infection, principally puerperal sepsis. Given the proper conditions infection can be greatly reduced and practically eliminated. At the very least, all hospitals handling maternity cases should have an entirely separate section, and ideally, a separate building. It has been recommended by some authorities on diseases of childbirth that separate rooms be provided for each patient to prevent spread of infection. A great deal of valuable information regarding maternal mortality was presented to the Council by Mr. George Oliver, Secretary of the Council. This is attached to the Report as Appendix 6.

In March, 1944, the Yorkton hospital, with a normal bed capacity of 100, had 116 patients and there were no beds in the hospital available for emergency cases. At Melfort the situation was the same, the 50-bed hospital having 62 patients. Although both of these hospitals have maternity wards, they have no isolation wards, and cannot accept isolation cases. The pressure for beds makes it difficult to keep even the maternity ward entirely separate.

At Weyburn the situation is very serious. The hospital cannot accept isolation cases due to lack of a separate ward, and there is no maternity ward, with the result that maternity cases are mingled with medical cases.

At Moose Jaw it was shown that the original section of the hospital building, and an annex housing the staff were unfit for use, especially the annex. Both were beyond economical repair. The residence has recently been provided.

At both Lloydminster and Meadow Lake and Swift Current serious overcrowding was reported.

These examples emphasize the need for hospital accommodation in this province. It is claimed by some that the present demand for hospitalization, while large, will be exceeded under complete health insurance.

Financing

Under the proposed health insurance legislation hospitals should no longer have any trouble paying current costs. With everything except "luxury" service paid for by the Commission, and rates properly adjusted to the location, size and type of hospital in each case, the need for provincial grants should be obviated, and the burden on municipalities should practically disappear, the only problem being that of obtaining capital for the initial construction.

In submissions to the Council, some localities asked for direct government assistance and some for long-term low-interest loans. The latter would seem to be the better suggestion, since it would keep costs on a comparable basis between hospitals and place the main burden on the Health Insurance Fund, where it belongs. It is desirable, though, that interest rates on loans made for hospital construction be as low as possible and that loans be repayable on the amortization plan. With health insurance, loans would be practically a guaranteed investment.

The Health Insurance Commission should make periodical examinations of the finances and operation of all hospitals to ensure as far as possible efficient and economical service.

It would seem desirable, however, to leave control of hospitals as far as possible with the municipalities and other local groups. In this way a great deal of administrative work is avoided and citizen interest maintained. There seems to be no reason why the Department of Public Health should not continue inspection and supervision of hospitals from a health standpoint.

In this connection it should be pointed out that at present approval by the Department of Public Health simply indicates that the hospital is sufficiently well run, staffed and equipped to qualify for a grant. It is desirable, however, that the Department should institute a system of approval requir-

ing much higher standards, something along the line of the Approved Hospitals system of the American College of Surgeons, but with a more intimate supervision.

PROFESSIONAL STANDARDS AND PERSONNEL

General

The matters to be dealt with in this section come under two general headings. First, there is the problem of obtaining adequate professional personnel to render the necessary services. This involves consideration of scholarships for students, establishment of training facilities and proper distribution of doctors.

Second, there is the problem of handling legislation affecting the professions so no undue infringement on their freedom or codes of ethics is attempted. A corollary is to see that maintenance of professional codes and standards is not made the excuse for undesirable practices by the professions.

Supply and Education of Practitioners

Evidence presented to the Council indicated that there was inadequate personnel in medicine, optometry, pharmacy, nursing, dentistry and chiropody. In some cases, particularly among dentists and nurses this was attributed to the fact that remuneration is inadequate. All the professions, except nurses and pharmacists, who are already provided for, want a school or college set up at the University of Saskatchewan to give full graduate courses. Colleges of Medicine, Optometry and Chiropody and a School of Dentistry were proposed. In the case of the optometrists it was also suggested that the profession itself would contribute to financing the establishment of such a college.

Proposals for a complete College of Medicine were submitted in some detail by Dr. J. S. Thomson, President of the University of Saskatchewan. Owing to the shortage of space the 24 students at present admitted annually to the School of Medicine could not possibly be increased. Dr. Thomson pointed out, also, that they must be sent to other universities to complete their training and it has become difficult to find places for even the present number of Saskatchewan students. He recommends therefore that a medical college be constructed. He estimates that a total increase in part-time and full-time staff of 52 will be needed, with an annual payroll of \$80,000. A building for classrooms, laboratories, library, etc., would cost about \$500,000.

The returns from fees, it is estimated, would come to about \$28,000 yearly, and would hardly do more than cover laboratory and other costs incidental to teaching.

In addition to the above it is essential that students have access to both in-patients and out-patients and for this purpose a hospital should be built. It would be necessary for the University to enter into some co-operative arrangement either with existing institutions or with a national health scheme in respect to such an institution. The capital cost of the hospital is estimated at \$1,250,000 and in addition there would be maintenance costs which could hardly be borne by the University. Financial arrangements should be the subject of careful study.

Another point frequently advocated was that provision be made for grants, bursaries or scholarships to encourage the training of personnel. The submission of optometrists did not suggest any such measure, nor did that of the College of Physicians and Surgeons, although other organizations have suggested scholarships for worthy medical students where needed.

The provision of scholarships has been recommended both as a means of increasing the number of doctors and giving deserving students the opportunity of becoming medical men. There has also been the suggestion by some groups that such a system, if sufficiently ambitious, would improve the general level of ability among doctors by removing the economic factor as a determinant of our medical personnel.

In the first half of 1943 in Saskatchewan there were 416 members registered with the College of Physicians and Surgeons, of whom 130 were in the Armed Forces. Since all graduating students except those medically unfit go into the armed forces there is little doubt that the situation has, if anything, deteriorated, and it is generally conceded that there are districts in the province where medical service is not available within a reasonable distance and there is severe pressure upon the services of doctors in all localities. With the inauguration of health insurance and a complete programme of public health the need will be much greater.

The Saskatchewan Optometric Association submits that the present complement of 50 optometrists and 50 medical refractionists in the province should be increased to 200 or 250 to give adequate service. There are at present 6,300 potential patients for every optometrist or medical refractionist while there should be about one to 2,500 patients.

Higher nurses' salaries through hospital grants were suggested. If health insurance is inaugurated, hospital rates will presumably be capable of adjustment to allow for

higher wages and no special grant would be needed. Until health insurance materializes, however, the suggestion would seem to be worthy of consideration.

It was suggested that grants be provided to dentists returning from overseas to establish themselves in practice. The cost of equipment is high, and it was recommended that at least \$2,500 be provided on somewhat the same basis as grants to returned men wishing to farm.

If it be true that initial costs of establishing a practice are a deterrent, perhaps some assistance should be given in all cases where necessary. Bursaries for students wishing to take dentistry were also advocated.

It is well known that the number of dentists is at present inadequate, and the number of graduates has been falling steadily. This is due, it has been suggested, to the fact that incomes are not commensurate with the training received. There are at present 145 dentists in the province, and 64 in the armed forces. Thus there is one practising dentist to every 6,179 persons. There will be one for every 4,287 persons if all those in the armed forces return to practise in Saskatchewan. While the desirable ratio is not accurately known, it is certain that with health insurance the number of dentists would probably have to be doubled or even tripled. The Army aims at one dentist for every 500 men, but this is too high a ratio for civilian life.

There are five dental colleges in Canada, at McGill and the University of Montreal, and at the Universities of Toronto, Alberta and Dalhousie.

The Canadian Dental Association reports that, during the war, dental colleges have been filled practically to capacity. The University of Toronto is making special provision for doubling the size of classes at the end of the war, and for special courses for dental technicians now in the Canadian Dental Corps. These changes will bring accommodation from 250 to 300 dependent upon the amount of additional building space made available.

Prior to the war, practically no dental colleges were filled to capacity. The Association believes, however, that there is need for additional facilities in Western Canada, particularly as there is a tendency to lose permanently those students training in the east. The need will be greater if a health insurance scheme is inaugurated.

The Association believes that lack of dentists, and small pre-war enrolment was almost entirely due to low returns. While admitting the high cost of a dental course, "perhaps the highest of any professional

course" and the expensive equipment needed, they believe that with proper income levels there would be no trouble obtaining students.

The Association believes that present facilities at the University of Alberta should be expanded, rather than that there should be one or more additional and smaller colleges established in the west. It points out that a much superior education can be obtained at a larger institution where complete facilities can be utilized.

The Council, in the light of these facts, recommends the establishment of increased facilities for teaching dentists in Western Canada. Whether or not a school should be set up in Saskatchewan is a matter of doubt, but this possibility should be given serious consideration. Its main advantage, apart from the fact that this might prove the quickest way of obtaining the needed facilities, is that students graduated in Saskatchewan would more likely stay in the province after graduation.

The number of nurses practising in Saskatchewan is estimated to be about 908 and an additional 138 are in the armed forces. There are also 1,993 registered nurses not in active practice, according to the National Selective Service survey made in March, 1943. There are, therefore, 1.23 practising nurses per 1000 of the population, while the standard of adequate nursing service set by the "Committee on Costs of Medical Care" in the United States in 1932 was 2.2.

It is apparent that the supply of nurses in Saskatchewan is insufficient, and there is no doubt that low wages, long hours and often unsatisfactory living conditions have acted as serious deterrents to the entry of girls into the nursing profession.

The chiropodists of this province at present number only seven, and to provide the services that the Association of Chiropodists believes its members should provide would require considerably more.

Pharmacists are also needed. With the return of qualified men now in the armed services it is believed there will still be a shortage so it is urged that apprentices in the forces be discharged as soon as possible and qualified as pharmacists.

Professional Practice and Ethics

Most of the problems regarding patient-practitioner relationships have been raised in connection with proposals to introduce a scheme of health insurance. Among the doctors, dentists, optometrists and nurses there is a good deal of unanimity on these questions. Principally these groups desire:

(a) Freedom of professional and ethical development in general.

(b) Representation on the Health Insurance Commission and other bodies dealing with health problems. It is requested that members of the profession be given the major administrative posts dealing with their particular section of the health insurance programme. The medical profession also desires that one of its members be chairman of the Commission.

(c) Free choice of practitioner by the patient. (This does not apply so much to nurses, except in case of special nurses.)

(d) Right of the practitioner to refuse treatment to a patient. Probably the main reason for this prerogative is to enable a doctor to preserve that part of his professional code which makes it unethical to treat the patient of another doctor.

The present health insurance legislation does not in any way infringe upon these prerogatives.

Several special recommendations have been made by the Saskatchewan Registered Nurses' Association. Generally they wish to obtain a greater systematization of their present methods of providing services. It is desired that placement bureaux under professional guidance be set up to provide a better distribution of nurses. The present bureaux supported mainly by nurses render an inadequate service.

Another recommendation is that hours of work be not more than 8 hours per day and 44 per week, instead of 12 hours per day as at present common. This would require an increase in nurses of about one third, disregarding other needs for increased service. It is suggested that living conditions of nurses should be the concern of the Department of Public Health and that superannuation and pensions on a contributory basis be provided.

One of the problems in connection with pharmacists, is whether or not dispensaries should be allowed in any stores except those owned by qualified druggists. At present a store must be owned by a druggist or druggists or, if a corporation, 5 members of the board of directors must be qualified druggists. This might prevent co-operatives from operating drug departments in their stores, as they have requested, and would presumably stand in the way of the Health Insurance Commission owning dispensaries if thought desirable. The Committee of the Legislature on Law Amendments investigated this question and concluded that the present regulations were justifiable as a protection to druggists and the public. The principal arguments seem to be that the owner of the

store must be responsible for dispensing in his store, and therefore must know the business, and that without these regulations the druggist would lose his independent professional standing. This is a rather difficult problem, but the arguments in favour of continuing the present regulations do not seem entirely convincing, particularly in view of the prevalence of drug chains, through which the owner must find it impossible to exercise any sort of effective supervision. In such a case, the claim that it is important that the responsibility rest with the druggist-owner would seem to be subject to very serious question.

Two or three matters have come up regarding practices within the medical profession. It has been objected that hospitals, particularly city hospitals, pursue a discriminatory policy in refusing to allow doctors from outside points to attend their own patients in such hospital. From the evidence the Council has obtained on this point it appears that while it is possible that the medical boards of hospitals might abuse their powers at times (no definite evidence of this has been presented), the system of control carried out is quite necessary. In four major Saskatchewan hospitals at the present time the arrangement is that an active medical staff is appointed to act in a consultative and advisory capacity. A committee of this staff selects interns and supervises their training. There is also an associate medical staff composed of junior doctors and those not so actively interested in the work of the hospital. These may attend their patients in hospital under the supervision of the active staff. This arrangement is considered necessary so that interns will be properly and consistently trained, and generally, as a protection to both hospital and patients. In connection, also, with major surgical procedures and specialties, it is important that a doctor should not be able to use hospital facilities to attempt such work unless he has the confidence and approval of the hospital. Every doctor, however, should have access to the facilities of some hospital in which he may put his patients and attend them himself.

While recognizing the need for definite hospital policy the Council believes that some control should be exercised by the government, so that a doctor who believes he has been discriminated against may have some recourse.

It has been claimed that the system of entrance into university for medical students is calculated to restrict the number of doctors, presumably in order to better the economic circumstances of the remaining practitioners. This claim was made by the State Hospital and Medical League, and while no evidence was given of any discriminatory or restrictive practices, it was claimed that the system of having entrance

requirements reviewed and approved by a medical board was in principle bad. In view of the fact that present facilities for teaching are being utilized to their fullest extent, and an expansion of facilities is in prospect and recommended by the College of Physicians and Surgeons, the Council is unable to see where any proof of undesirable practices has been furnished.

In connection with the administration of health insurance, one problem involving professional ethics may arise. This is whether or not to require doctors practising under health insurance to release case records of their patients for the files of the Commission. While it is undoubtedly true that the tradition of keeping dealings with patients strictly confidential has been a highly desirable practice there is much to be said for releasing as much information on case histories as the Commission may need for statistical and research purposes, and for supervising, to a degree, the provision of medical services. There would seem to be no reason why the information should not remain confidential with the Commission, and the acceptance of health insurance would also imply an acceptance of certain controls in its administration.

Conclusion

In conclusion the Council believes that a comprehensive programme of Public Health should be inaugurated setting as a goal the maximum efficiency and completeness of services obtainable. This expresses in general terms the objective which the Council regards as desirable and necessary. Specific recommendations with this end in view are offered below:—

RECOMMENDATIONS

1. That the Saskatchewan Council of Physical Fitness be formed at the earliest possible date and co-operate with and encourage organizations and departments concerned with carrying out a complete programme of physical education.
2. That payment of doctors and other professional personnel rendering services under the proposed scheme, be made on the basis of fee-for-service, with the schedule of fees set at a level to provide doctors with normal practice a fair income, taking into consideration their expenses, training and responsibilities. The policy of fee-for-service payment should not be adhered to, however, if it will result in a shortage of satisfactory doctors in some areas. In such cases the Commission should guarantee a minimum payment to the doctor sufficient to assure his services.

3. That the basis upon which the various services in the present schedule of medical fees are priced be investigated with the object of determining whether or not any particular services are too expensive in relation to others, as well as arranging for general reductions. In particular, fees for operations and other treatments normally done by specialists should be subjected to close scrutiny.
4. That all practitioners under the scheme be paid according to a schedule of fees calculated to provide incomes commensurate with their training and abilities.
5. That the proposed contribution of \$12 per adult for health insurance costs be collected through the municipalities. Municipalities should also be expected to make good their full quota except in case of a major default in payment where the municipality's inability to pay can be convincingly demonstrated. The Council submits that this question needs further consideration before a final decision is made.
6. That the various interested professions be given representation on the Health Insurance Commission, and that at least equal representation be given to lay groups. The Council believes that there is no reason why effective administration of the scheme could not be obtained through a lay chairman, but wishes to express the opinion that the personal qualifications of the chairman are of paramount importance.
7. That the administration of the scheme be decentralized as much as possible.
8. That medical records of patients under the scheme be made available to the Commission.
9. That in order to provide economical administration of the health insurance scheme, the Commission have a special permanent committee to investigate this aspect of the work, and if necessary check, statistically and otherwise, expenditures on pharmaceuticals by areas and by individual doctors.
10. That a provincial drug formulary be prepared with prices of various preparations as a guide to the most economical means of prescribing.
11. That careful consideration be given by the Commission to staffing and equipping clinics for particular or general purposes in various parts of the province.
12. That full optometric benefits be included in any scheme of health insurance and that attention be given to possible improvements in the existing system of distribution of glasses with a view to reducing their cost.
13. That the possibility of advantageously including the services of chiropodists, osteopaths, chiropractors and independent physio-therapists in the benefits available under the scheme be considered and when it becomes apparent that a definite service can be given by their inclusion, this be done.
14. That if it be found impossible to provide complete medical care to all immediately upon implementation of Health Insurance, due to the shortage of doctors, no class of persons be excluded from benefits but the policy of treating most urgent needs first be followed and in particular that preventive work among school and pre-school children be not neglected.
15. That the Commission seek active co-operation with the Department of Public Health and Public Welfare, in order to further the work of all concerned.
16. That suitable provision be made for doctors to take post-graduate work periodically, and that a certain amount of such work be compulsory.
17. That legislative provision be made for regular surveys of the various parts of the province with the object of determining ways and means of improving the service provided, and also that regular reports be submitted by medical officers with recommendations, if any, for improved service, as a regular feature.
18. That the advisability of increasing the pay of nurses, particularly nurses in training be given serious consideration. A suggested minimum for trainees is \$25 a month plus room and board.
19. That a standard of qualifications for specialists be established, to ensure that all doctors wishing to practise as specialists be fully qualified.
20. That definite attention be given to assuring as far as possible an adequate supply of trained personnel of all kinds to meet the immediate and future needs of the province's public health programme, and that trained assistants be available to fill vacancies in responsible positions.
21. That a system of full-time local health units be inaugurated as the foundation of the public health programme, and that an active programme of health education be carried on to keep the public fully informed of the services they render.

22. That all medical health officers employed by municipalities, groups of municipalities, or health units be engaged on a full-time basis as far as possible. The establishment of larger units of municipal administration would facilitate this change.
23. That the closest co-operation be maintained between public health and welfare agencies and the Health Insurance Commission.
24. That there be increased supervision of public eating places, lodgings, office buildings, recreation centres, etc., and that there be strict enforcement of present regulations.
25. That the improvement of sanitary facilities in small population centres be effected as soon as possible.
26. That the number of public health nurses be increased, and their wages raised substantially. Expenses for courses in public health nursing should be paid by the Department for desirable candidates.
27. That there be increased work on venereal disease prevention and treatment and that the compulsory features of the Venereal Diseases Act be strengthened and enforced.
28. That the Department of Public Health investigate the desirability of pharmaceuticals for treatment of venereal diseases being sold only on doctors' prescriptions.
29. That school health services be increased and improved by more education in health principles, better medical, dental and ocular inspection with follow-up work, instruction in nutrition, and provision of school lunches where needed.
30. That heart clinics for children be established, either under the Department of Public Health or the Health Insurance Commission.
31. That there be an extension in inoculation, immunization, and other measures, such as T.B. testing of cattle and more effective pasteurization laws, to further the control of communicable diseases.
32. That health authorities be given power to compel immunization in case of an epidemic or threatened epidemic.
33. That preventive treatment be made compulsory in the case of diseases constituting a threat to society when such treatment has received the seal of public approval and scientific endorsement. This is definitely recommended in the case of immunization for diphtheria and vaccination for smallpox.
34. That provision be made for increased education in pre-natal and post-natal care.
35. That increased attention be given to publicity, research and instruction in the field of nutrition.
36. That work be started immediately on building plans for a new mental hospital and an institution for mental defectives, these projects to be given first priority in post-war public works construction.
37. That as soon as suitable personnel is available two clinics for the treatment of mentally maladjusted children, staffed by psychologists, be established.
38. That as soon as mental hospital facilities are available, Mental Hygiene Clinics, staffed by psychiatrists and other trained staff be established, for the treatment of the mentally ill of all ages.

(It is possible that the operation of these two sets of clinics could be largely combined, but provision for treatment of children should come first.)
39. That funds be made available for building of an after-care home for elderly tubercular patients now kept in Sanatoria.
40. That facilities for sight saving classes be provided, and the eyesight of the population in general be given increased attention.
41. That a careful survey be made of hospital facilities in Saskatchewan.
42. That if the present demand for hospitalization continues, efforts be made to ensure early increase in facilities.
43. That money be provided by the Dominion Government, and/or by the Provincial Government, at low interest for hospital construction where the need is established.
44. That if Health Insurance be inaugurated, the Department of Public Health discontinue grants to hospitals, but continue inspection and supervision services.
45. That standards of approval be officially determined and applied.
46. That one or more nursing homes be built for the care of aged and incurable patients.
47. That adequate accommodation be provided in all sections of the province for maternity cases, to obviate the necessity of caring for maternity with medical or surgical cases.

48. That adequate facilities for isolation cases be provided throughout the province.
49. That the Dominion Government be asked by the Provincial Government to make military hospitals and equipment in the province available to the locality in which said hospital is situated or to the province before disposing of them elsewhere.
50. That the establishment of a College of Medicine at the University at Saskatoon for which approval has been announced be proceeded with at once and that suitable hospital and clinical facilities be provided in connection therewith.
51. That in view of the great need for dentists the advisability of establishing a College of Dentistry at the University of Saskatchewan be considered at once.
52. That the establishment of a College of Optometry and a College of Chiropody be given consideration.
53. That in view of the need for professional personnel and the general desirability of scholarships for students, a system of scholarships be instituted for students of pharmacy, nursing, medicine and dentistry.
54. That consideration be given to provision of equipment grants on easy terms of repayment to dentists as a rehabilitation measure on demobilization.
55. That further consideration be given to removal of legislative restrictions in the ownership of dispensaries by co-operatives and other stores and organizations not owned by druggists.
56. That nurses' hours be limited to 8-hour days and 44-hour weeks, as soon as the supply of nurses makes this possible, and that inspection of nurses' residences be instituted by the Department of Public Health.
57. That provision be made for supervision over hospital administrations to ensure recourse to doctors denied the use of hospital facilities by unjustified restrictions.
58. That case records of patients treated under the scheme be available to the Health Insurance Commission for statistical and research purposes.

PART XII.

THE POSITION OF LABOUR

Employment Service

In order to make possible "the orderly and efficient employment of the men and women of Canada for the varied purposes of the war," it was found necessary in March, 1942, to set up a national employment service under the Unemployment Insurance Commission. Controls have since been added to ensure that every man and woman in the country is employed where he or she can make the greatest contribution to Canada's war effort, and despite the many criticisms levelled at National Selective Service, it has done a competent job in gearing Canada's labour power to the war emergency.

Controls instituted include the following:

1. Permits are required by prospective employees to seek and enter any employment, with a few exceptions such as farm labour, domestic service, nursing and provincial government service.
2. Employment can be terminated only after seven days' notice of separation by either employee or employer.
3. Employers are required to list all vacancies with the Selective Service office in the nearest locality.
4. A labour priority schedule has been established, and workers are only permitted to accept employment in "low priority" employment when it is established that there are no vacancies in "high priority" employment that they can fill.
5. All advertising for employment or employees is rigidly controlled.
6. Provisions have been made for the reinstatement in original employment, where an individual has been directed from low priority employment to a position in a high priority industry.
7. Provision has been made to grant supplementary allowances to cover transportation costs, loss of working time while en route, etc., where the employee has been directed to employment in another locality.
8. Any person may be required to report for interview at the local office, and if not gainfully occupied may be directed to suitable employment, or if employed on part-time basis, may be required to accept full-time employment.

Prior to the establishment of the national employment service, employment services in this province were provided through offices maintained by the Bureau of Labour and Public Welfare in the principal cities. These offices were supposed to provide facilities for finding employment, but in practice it was found that they were little used except by farm labour, both male and female. When the war emergency came, it was soon found that individual provincial services were entirely inadequate to meet a national employment situation, and Selective Service was the result.

While the great majority of people are willing to accept the controls imposed by National Selective Service as a necessary war measure, albeit with considerable grumbling, it is realized that once the war emergency has passed it will be virtually impossible to retain many of the controls on the free movement of labour.

However, the great and undeniable benefits accruing from a national employment service should not be lost to Canadian labour and employers. National Selective Service has demonstrated how great wastages of labour can be eliminated by directing men and women to any area where their services are needed. The most efficient provincial service cannot compare to an adequate national placement service.

On the cessation of hostilities and the demobilization of personnel of the armed forces and war industries, the more stringent controls on labour should be eliminated as quickly as possible. However, if a national placement service, working in conjunction with the Unemployment Insurance Commission is to be effective, and if a complete picture of the Canadian employment situation is to be available at all times, it will be necessary to require the listing of all vacancies as they occur, and a further listing with the Service when they are filled. No employment categories should be excepted from this requirement.

Many of the worst criticisms levelled against National Selective Service can be laid at the door, not of the regulations themselves, but the manner in which they have been enforced, possibly due to inexperience. The success of a national placement service will depend on the personnel administering it, and every effort should be made to secure properly trained placement officers for all offices as quickly as possible.

Working Conditions, Wages and Hours of Labour

Under the "property and civil rights" clause of the British North America Act, the provincial legislature is given jurisdiction over most matters pertaining to labour. At present, Saskatchewan has an imposing array of such legislation, placing her in the fore among the provinces of Canada in protecting working men and women. Originally most of the nine main Acts dealing with labour were passed for the purpose of protecting women and children, but most have been since extended to include men.

These laws have contributed greatly to the betterment of labour conditions, but there is still room for considerable improvement, particularly with respect to certain classes such as farm labourers and domestic workers, to whom little of the protective legislation now applies.

The case for Dominion authorities retaining control of international export and import trade, prices, and monetary policy is unanswerable as is pointed out elsewhere in this Report. It also seems clear that unless the provinces are prepared to establish themselves as nine small national entities and take over the control of such matters, any great extension of social security by them is financially impossible. It is equally clear that equitable standards of employment, social services, and education are impossible in nine separate provinces with varying economic and social outlooks and particularly so under the present division of powers between the Dominion and provinces.

Social security involves a national standard of social services, education, and living. These call for full employment at lucrative wages of all capable of working, and to ensure this there must be a national code covering wage and working standards, working hours and workers' qualifications. It would appear that Dominion-Provincial fiscal relations deny the provinces the necessary funds for social security and provincial control of wages and working standards makes a national standard of living and a healthy Dominion-wide development of local industries impossible.

To prevent "dark" spots, where certain classes of labour may be exploited, constitutional amendments are required to take labour legislation from the jurisdiction of the provinces and place it in the hands of the Federal authority. The Council believes that unless there are national minimum wage standards, and a national code for working hours and other conditions of labour, there can be no working basis for the establishment of true social security.

The consensus of opinion, as expressed in briefs presented to the Council by labour organizations and others, was that there should be a further and progressive lowering of the hours of labour. It was suggested that the introduction of the 40-hour, five-day week, with a corresponding increase in basic rates of pay, would result in fuller employment, a happier, healthier and more efficient working population. For the same reasons, annual holidays with pay should become a part of the national labour code.

The evils that can result in isolated industrial areas under a system of poorly enforced provincial minimum wage legislation are well illustrated by the report of the Special Committee on Price Spreads and Mass Buying in 1934. One of the most striking examples of concentration of industry in an area is the shoe industry of Quebec, an industry, it might be added, that many have advocated for this province. In one firm, 100 per cent. of the female labour was employed as "apprentices" while the legal limit was 50 per cent., and 83 per cent. were paid less than the minimum wage. From June, 1932 to the beginning of 1933, women in this firm received 10 cents an hour, and the introduction of the piecework system resulted in hourly wages of from about 7½ cents to 15½ cents. Of the male employees, 63.8 per cent. were receiving 10 cents an hour or less.

While it may be contended that wages have increased even in these "sweated" industries since that time, unless there are some guarantees in the form of strictly enforced minimum wage legislation, it is quite possible that similar situations may occur again. No other section of the country can hope to develop similar local industries, since to do so would necessitate its labour competing with such exploitation. Only the federal authority in Canada can give the guarantees necessary to eradicate such conditions, and protect the working men and women of the entire country.

The Saskatchewan Workmen's Compensation Act has functioned smoothly for the most part, but it is suggested that it might be reviewed for possible inadequacies of coverage in order to give a wider classification of occupational disabilities. It has been suggested by the Journeymen Plumbers and Steamfitters, Locals No. 179 of Regina and No. 264 of Saskatoon, for example, that sewer gas poisoning be included. The legislation might also include certain other classes of labour, such as farm labourers and domestic workers not now covered by the Act.

Labour-Employee Relations

The Council is firmly of the opinion that the organization of labour unions is a wholesome movement and should be encouraged

for all classes of labour. The history of trade unions, both in Canada and other countries, has demonstrated that they do much for the welfare of their members. The Saskatchewan Freedom of Trade Union Association Act recognized union activities in this province. This has since been amplified by the adoption in this province of the Dominion Labour Code under the Labour Relations Act 1944. Freedom to join a trade union without suffering loss of employment is guaranteed to some extent by the 1939 amendment to the Criminal Code which makes it a criminal offence to dismiss or threaten to dismiss a worker, or discriminate against him in any way solely on the ground of union membership or activity. This, however, is a most difficult piece of legislation to enforce.

Government agencies could do much to encourage union organization by insisting upon the employment of union workers on all government projects and drawing up collective bargaining agreements wherever possible with their own employees.

Status of Women

Women, having entered the competitive labour market in many fields a comparatively short time ago, still suffer from many handicaps and prejudices, although two wars within the past 50 years have eliminated many. There are, however, still groups of women workers such as domestic workers for whom there is no protective legislation, and who, because of lack of organization are subject to severe exploitation.

Most of the women's organizations appearing before the Council such as the Local Councils of Women, the Y.W.C.A.'s and the Canadian Women's Press Club made recommendations for the amelioration of the condition of the domestic worker. Courses to provide for adequate training of household workers to fit them to command better wages and working conditions were recommended most frequently. Education of employers in how to treat household workers was also advocated, although no plan for such education was advanced.

It was felt by most groups that bringing the domestic worker under present labour legislation such as minimum wage, workmen's compensation, hours of labour would serve to raise her status and her standard of living.

The Council is of the opinion that if domestic workers are given adequate training in household work, and legislative protection as proposed, they might organize unions for their own protection; this would provide the most effective education of employers. In training domestic workers it should be possible to set up standards of

qualification, which would aid in the determination of a fair wage scale. Courses for employers (which, in all probability would be attended only by those who need them the least) would serve only to build up greater class distinctions rather than break them down.

One interesting suggestion was that corps of day workers be organized on a similar basis to the V.O.N. for service to those who cannot afford or do not require a full-time domestic worker. It was felt that recognition of household work as a craft or trade would encourage girls to take up this work.

In order to meet the war-time labour shortage women have entered many fields of employment formerly filled by men, and married women are being employed in hitherto unprecedented numbers. The question of what is to happen during the post-war period is a matter of much concern to both men and women. Many of the women who have attained new financial security, particularly those without small children, declare their intention of remaining in the employment market, and will resent deeply any attempt to force them back into the homes merely because they are married.

In the professions of nursing and teaching particularly, much valuable experience and continuity is lost by the policy of refusing to employ married women.

In a democratic state, it is submitted, there is no justifiable reason for denying any citizen the right of employment merely because of marital status, if that individual wishes to work and is able to obtain employment.

Even in the professions where women are admitted freely as members there still exists a great deal of discrimination and prejudice against them. Many instances can be cited where men and women working side by side at exactly the same type of work are paid different rates of pay, for no apparent reason other than their difference of sex. The Council feels that such discrimination is completely unwarranted, that variations in reward should be on the basis of ability and that there should be no prejudice because of sex.

The Public Service

Since the recommendations in this Report envisage a measure of intervention in order that a reasonable standard of living and good working conditions may be obtained it is perhaps fair to suggest that the Province itself should make every effort to earn the title of model employer.

In the opinion of the Council early consideration should be given to obtaining a satisfactory classification of the Public Ser-

vice. This was strongly urged in a brief presented by the Saskatchewan Civil Service Association and it is believed that the point is well taken. It seems probable that a proper classification with provision for advancement and increased remuneration for satisfactory service would do much to retain efficient employees in their positions.

The opinion is further expressed that salary scales are too low, particularly in the lower brackets. The same comment should be made concerning superannuation allowances to employees in receipt of small salaries.

On the matter of superannuation the question should also be raised whether the normal retirement age should not be lowered. Action should no doubt be postponed until after the war but under peace conditions a retiring age of sixty for men and fifty-five for women would seem reasonable.

In the organization of a public service the government must have in mind not only the welfare of the employees but the efficiency of the service. It seems to the Council that in addition to fair wages and superannuation the object should be to give security of appointment along with an opportunity for quick advancement to those showing special merit. To secure this it is essential that appointments should not be regarded as being political in nature. It would also seem that care should be taken in the selection of employees and that their work should be intelligently appraised.

Although several suggestions have been made above, the Council would like to state that no implied criticism of the present Public Service is intended. Indeed on the basis of contacts with a considerable number of provincial employees the present personnel should be warmly commended for ability and loyalty.

RECOMMENDATIONS

1. That National Selective Service continue to function as, or be replaced by, a National Placement Service in conjunction with the Unemployment Insurance

Commission, and be extended to include all classes of labour.

2. That the more stringent controls on labour, such as priority ratings of industry, and strict penalties for non-registration, be eliminated as soon as possible after the cessation of hostilities so as to permit free choice of employment by labour.
3. That the National Placement Service be staffed with competent and trained placement officers, and facilities for training personnel for the service be established by the Commission.
4. That the British North America Act be amended to place labour legislation exclusively under federal jurisdiction, and all labour legislation be national in scope.
5. That there be progressive reduction in the hours of labour, starting with the introduction of the 40-hour, 5-day week, in conjunction with an increase in basic wage rates so there be no reduction in living standards.
6. That annual holidays with pay be provided for all classes of labour.
7. That labour legislation be strictly enforced, particularly minimum wage legislation, and that pertaining to sanitary conditions in working establishments and penalty clauses be made stringent.
8. That domestic workers, farm labourers and all classes of labour not now covered be included in all labour legislation.
9. That government agencies insist on the employment of union workers in all government projects.
10. That in any programme of vocational education, adequate provision be made for training domestic workers.
11. That the Public Service be classified and attention be given to other suggestions relating to that service appearing in the text.

PART XIII.

EDUCATION

INTRODUCTION

The object of education has been debatable from earliest times. Aristotle argued whether it was "to instruct the child in what will be useful in life", or in "what is excellent". In favouring the latter he set the standard for what is generally described as the classical education, one directed towards the achievement of "the good life" and centred upon "cultural" studies. New generations raise Aristotle's argument anew. Shall education be utilitarian or cultural? Shall our schools teach students how to make a living or how to live? Can education accomplish both purposes, or attempting both, must it fail in both?

The Council is fully aware of the danger attending the recognition of a dual role for educational institutions. Nevertheless it is convinced of the need for such recognition. Education must teach how to live and how to make a living. It may seek the good life, but it must also seek the useful life. Dr. Cyril James states:

"The modern world demands an integrated course of vocational and cultural content, which will enable the man or woman who graduates to enter directly upon a career of practical usefulness".

The Council accepts this statement as a first approximation to the requirements of modern education.

Specifically, education in Saskatchewan must develop on the following bases:

First, a sustained and increased attention to technical and vocational education so that our youth may be fitted for a part in a community and world of constantly changing technology;

Second, an increased attention to social studies, which seek an understanding of group relationships whether social, political or economic;

Third, a sustained attention to the humanities, to literature, art, language and philosophy, with a view to developing a maximum range of human interests. Constant care must be exercised that all studies are couched in terms of current experience while sacrificing nothing of permanent value;

Finally, constant care must be exercised to ensure that instruction, particularly in the field of social studies, shall not become indoctrination, and that the goal of teaching be development of the student's ability to make informed and reasoned judgments upon constantly emerging problems.

PROBLEMS OF RURAL EDUCATION

Local School Units: Finance

Section 93 of the British North America Act provides for provincial jurisdiction in the matter of education. Provincial governments in turn have considered primary and secondary education to be local functions and have provided legislatively for local school units. Saskatchewan has more than five thousand school districts, commonly from eighteen to twenty square miles in area, each administered by an elected board of trustees. Curricula, training, and superintendence of teachers are provided by the Provincial Government. School finance is basically a local problem, though the Saskatchewan and other provincial governments make grants to local school districts. Approximately eighty per cent. of the funds for Saskatchewan primary and secondary schools are raised locally, the great bulk by property taxation. The school board requisitions the municipal council to levy taxes on the land in the school district to make up the difference between the provincial grant and the total annual requirements for the particular school.

The rural school district is an inadequate financial unit. The rural school is almost invariably a one-room school with financial requirements which, for a minimum quality of service, should be comparatively uniform from place to place and from time to time. Financial resources, on the contrary, show extreme variations from place to place and time to time. Assessments in rural school districts in Saskatchewan vary from \$10,000 to over \$400,000 per district. Financial possibilities also differ widely from time to time within any one school district because of the variability of farm income in Saskatchewan. Receipts in Saskatchewan rural school districts, taxes, fees and grants included, averaged \$1,918 per district in 1929 and by 1935 had dropped to \$791 per district.

These economic facts are significant in relation to the growing conviction that an essential element of democracy is equality of educational opportunity. The obvious contrast between fact and principle on this score has led to improvements, some already accomplished and some proposed. Provincial grants for equalization purposes have been adopted and are discussed later. Changes looking toward a fundamental reorganization of the administrative unit for rural schools have been made possible by legislation, and further proposals are outlined below. Proposals for increased provincial activity in the fields of agricultural, vocational and extension education also bear on this problem and are considered below.

Because of the variability of income throughout Saskatchewan it is hard to maintain a uniform standard. In times of extreme economic difficulty the Provincial Government may not be able to compensate entirely for the shortcomings of local finance. In 1932, when local school finances were in a sorry plight, the Saskatchewan Government felt it necessary to cut its grants to local schools from \$1.50 to \$1.00 per day, where they remained until 1937.

The difficulties of provincial finance have led to the proposal that the Dominion Government assume part or full responsibility for education. The Rowell-Sirois Commission recognized clearly the inter-provincial nature of the problem. They said (Report, Book II., p. 128):

"The quality of education and welfare services is no longer a matter of purely provincial and local concern. In Canada today, freedom of movement and equality of opportunity are more important than ever before, and these depend in part on the maintenance of at least minimum national standards of education. . . ."

The Commission did not, however, recommend Federal assumption of responsibility for education. Their statement as follows is relevant (Report, Book II., p. 51):

"Our financial proposals aim at placing every province in a position to discharge its responsibilities for education (on a scale that is within the means of the people of Canada) if it chooses to do so . . . we do not think that it would be wise or appropriate for the Dominion to make grants to the provinces earmarked for the support of general education".

The Rowell-Sirois recommendations in effect contemplate an adjustment in revenue sources between provinces and the Dominion so that the provinces can discharge their constitutional responsibilities in the matter of education. The Council concurs in this approach to the problem.

Comparison of Rural and Urban Education

Much of the common argument concerning inequality of educational opportunity is based on a comparison of rural and urban conditions. Certainly rural instruction is carried on under difficulties. In a single room the teacher must control and instruct students ranging widely in age and representing frequently all the grades to Entrance and even beyond. Young teachers, newly graduated from Normal School, ordinarily acquire their teaching experience in rural classrooms. Students may live several miles from school and commonly have home responsibility for specific "chores". Rural school structures and equipment vary greatly in quality but on the average are far below urban levels.

These and other comparative handicaps of rural schools are familiar to all. Yet they do not tell the whole story. In terms of equipment, organization and specialization, urban schools have the advantage. But the interest, integrity and personal influence of the teacher may count for more than these. Urban schools hold no monopoly on these qualities. Because of the number of grades in the rural school the teacher's attention is necessarily divided. Students either accept responsibility for their own learning, or fail. The selective process is therefore more rigorous in rural than in urban schools and those who go from rural schools into secondary and university institutions, while they may lack some of the academic polish of their urban counterparts, nevertheless frequently have developed habits of self reliance and concentration which enable them to qualify with the best of their classmates.

Rural students must ordinarily go to urban centres for secondary education. This means living away from home, and the financial burden deters all but the well-to-do or very determined from acquiring secondary education. The financial burden is increased when urban schools charge tuition fees for non-resident students. As for university education, while some urban students live in university or junior-college centres, all rural students must bear the financial burden of residence away from home in order to obtain a university education. These factors relating to both secondary and university education must be recognized in any policy seeking equality of educational opportunity between rural and urban communities.

Buildings and Equipment

Saskatchewan rural schools almost invariably need general repairs, painting, redecorating, heating plant extension or renewals, as well as extensions to outbuildings. Speak-

ing of rural schools throughout Canada generally the Canada and Newfoundland Education Association says: (1)

"Thousands of rural schools are dingy and dirty, without modern heating, landscaping, ventilation, water supply, lighting, playgrounds, or library facilities. At present many are neither safe nor sanitary. To remove or modernize them is an urgent need".

The problem is aggravated in Saskatchewan by the cumulative deterioration of plant and equipment caused by the failure of annual maintenance throughout the 1930's. Under the heading "Estimate of Urgent School Building Needs in the Provinces", the C.N.E.A. lists \$3,000,000 "To improve rural school plant and equipment in Saskatchewan".

Certain types of equipment merit special mention. Sports equipment and facilities for healthful playground activity are lacking in many rural areas. Equipment for audio-visual education is in increasing demand and provincial grants are offered toward the purchase of such equipment. Increasing numbers of teachers are using films as an aid to teaching under the encouragement and direction of school superintendents. Hundreds of schools are awaiting the opportunity to purchase projectors though at present such equipment is on the priority list for the armed forces. Co-operative purchase of projectors by two or more districts is commendable. In order to encourage the serving of hot lunches in schools the Department of Education pays a substantial grant towards the purchase of the necessary equipment. Yet less than 300 schools in the province now serve hot lunches. In view of the nutritional advantage of one hot dish for noon lunch, the Council urges the general utilization of the provincial grant towards this purpose.

The Saskatchewan Library Association states that school libraries in rural and small urban areas are almost wholly lacking. The School Act requires each school board to spend \$10 per classroom per year on books for the school library, but Departmental regulations permit the diversion of this sum to other equipment on the recommendation of the inspector. The \$10 figure is commonly interpreted as a maximum. In 1942-43 the Department of Education continued its policy of providing special sets of library books to school districts of very low assessment; about 1,000 such districts received books to the value of approximately \$13.50 during the year. The Association points out that library inadequacies are

particularly serious in view of the fact that in the newer instructional methods the library is looked upon as the centre of school activities. A later section deals with libraries throughout the province generally but attention must be directed toward the library situation in rural schools as one part of the general problem.

Equalization Grants

By means of annual grants to local school districts provincial governments seek to mitigate financial inequalities. Under The School Grants Act (R.S.S. 1940, c. 169) the Saskatchewan Government paid uniform annual grants to rural schools until 1939 and since 1939 it has paid the uniform grant plus an "equalization" grant. In 1939 the regular grant was \$1.50 per day, or \$300 per year of 200 teaching days. In 1939 equalization grants were introduced payable to all rural and village schools with an equalized assessment below \$100,000, reaching a maximum of \$100 for schools with an assessment of \$50,000 or less. In 1943 it was doubled. Under existing legislation, a rural school receives a grant from the province of \$300 per year if the assessment is \$100,000 or over, and an additional graduated grant of a maximum of \$1.00 per day, if the equalized assessment of the district is under \$100,000. Rural schools, therefore, receive annual grants from the Province ranging ordinarily from \$300 to \$500.

The Saskatchewan School Trustees' Association expressed dissatisfaction with the equalization grant and recommended as an alternative, that a tax of four mills be levied on all assessable land in the province, the proceeds going in to a school grants fund in order to raise all school grants to approximately \$800 per year. The Council does not concur in this recommendation for two reasons: first, land is already heavily taxed in this province; and second, if an additional burden on the land is necessary for the support of weaker school districts it would be just as reasonable to cancel present grants to stronger districts. Property in the school districts of the province already, in a sense, bears a part of the provincial school grant in that municipalities must pay their allotment of the Public Revenue tax to the Provincial Government, an allotment related to and levied upon local property assessments.

The Council recommends that, pending the implementation of the Rowell-Sirois Report the equalization fund be enlarged to ensure maintenance of minimum efficiency in rural areas. It is suggested that grants should be restricted to types of schools eligible to receive them under existing legislation.

(1) Report of the Survey Committee (1943), p. 34.

TRAINING, SUPERVISION AND REMUNERATION OF TEACHERS

Introduction

It is impossible to over-emphasize the importance of the teacher's position in the school. During school years the student must not only assimilate a good deal of factual knowledge, but also learn to adapt himself to his social environment. If our youth can learn in school years how to live in the right relationship with others, to appreciate the cultural values of our civilization, and, finally, to earn a living, our educational system can be judged a success. The accomplishment of such a task demands a highly qualified and competent teaching force. The teacher's responsibility does not end in the mere teaching of academic subjects. He must be an example and a force in the community, to stimulate and encourage the student to aim at high standards not only in his chosen calling but in community service as the key to a fuller and more satisfactory life.

In view of this all-important task the system of training and supervising teachers must be carefully considered. Many briefs submitted to the Council suggested that the present teaching standards were not satisfactory. Some condemned salary conditions, some the selection of teachers, some the type of training, and some the conditions under which instruction was given. The Council is convinced that in order to ensure a supply of capable teachers, a systematic improvement in methods of training, supervision, and rates of remuneration is necessary.

Training of Teachers

The present curriculum of the Normal School is divided into four quarters of twelve weeks each. At the end of the first quarter the student may receive a temporary certificate permitting him to teach in a rural school for twelve months. On the completion of the second quarter he is eligible for a second temporary certificate permitting him to teach another twelve months. If he completes the third quarter he receives an interim first class certificate qualifying him to teach for a three year period. If during this time he takes three classes at the University (English intra-murally or extra-murally, a professional class intra-murally, and one other class) he qualifies for a permanent first class certificate.

Many temporary certificates have been granted during the war. Normal Schools predict that after the cessation of hostilities, temporary certificates will not be necessary as there will be sufficient teachers. During the war, however, Normal School

students have been granted temporary certificates to overcome the shortage of teachers. Four hundred and seventy-nine were granted in 1942. In the spring term of 1943, four hundred and seventy-eight were issued. These conditions must be regarded as exceptional. The Council is of the opinion that the Normal School course should be made more intensive, and if necessary, more extensive.

The Council recommends that provision of teachers for rural schools be correlated with basic principles of technical, cultural and social education. To do this more care should be exercised in the selection of Normal School applicants. Efficiency of a teacher depends upon native ability, character, physical fitness and finally upon desire to become a teacher. Every Normal School entrant should be carefully examined to make sure that he has the qualifications for the difficult job of teaching. The Council is convinced that by guiding high school students into a field of endeavour for which they are fitted, suitable candidates for the teaching profession would be obtained. Such candidates would remain in the profession longer; there would be less waste of children's time and opportunities because of teacher misfits and teacher changes, and less waste of money in training teachers.

The Council recommends that the entrance standards for Normal Schools be raised. If teachers of quality are to be obtained the Normal School must make a most rigorous selection of applicants. The original selection is not enough. Adequate standards should be maintained through the whole Normal period.

The Council considers that changes should be made in the Normal School curriculum. Sufficient technical knowledge is not available to permit recommendations in detail, but as a basic principle formative material should be carefully selected with a view to giving the Normal School student full instruction in the subjects he or she is, in turn, going to teach. For example, the Council recommends that more attention be given to teaching English. Regardless of the native tongue of the student he is going to speak English in most of his social and business dealings. Consequently, the Council recommends that the Normal School emphasize English in its curriculum, and insist upon the student's ability to speak and write English correctly.

Furthermore the Council is of the opinion that thorough training in the basic subjects the student is expected to teach should be the prime requisite of a Normal School education. Provided entrance qualifications are sufficiently high, the present time period may be all that is necessary for such train-

ing. Experience alone can determine this. If it is not there should be no hesitation in extending the length of the course.

The extension departments of the Normal School were instituted to preserve the helpful relationship between teachers and staff of the Normal Schools. Young teachers receive help and advice by correspondence; Normal School instructors arrange demonstrations, exhibits, and lectures and assist in providing leadership in the field of education served by the Normal School. In order that suitable books may be available to teachers, and to encourage professional reading, a circulating library was established in the extension department of each Normal School. The Council believes teachers should keep in touch with latest developments in the field of education, and therefore recommends the continuation and, if necessary, the elaboration of this arrangement.

Supervision of Teachers

There are forty-one superintendents in Saskatchewan supervising elementary schools. This means that each superintendent is responsible for one hundred and fifty teachers, or from another aspect, that a superintendent might spend two half-days each school year with each teacher. Recent developments have necessitated the recruiting of inexperienced teachers. Consequently superintendents have had more work. In addition, time has been limited, administration problems have been many, and this important phase of education has suffered.

Rural teachers are generally the least experienced and the most poorly paid. All the supervision these teachers get is given by an inspector with one hundred and fifty teachers under his charge, and these scattered over wide areas. Isolated, the young inexperienced teacher faces the manifold problems of conducting his school. In the most difficult teaching positions the most inexperienced teachers receive the least su-

pervisory help and usually work under the greatest handicaps in respect to accommodation and teaching aids.

Good school supervision would lessen education difficulties. A good supervisor sees that every teacher is supplied with the best available equipment. By inspiration, suggestion, guidance and example the supervisor helps the teacher to render the greatest possible service to students.

The Council does not know the extent of co-operation between superintendents and school boards. Close contact, exchange of ideas, thorough understanding by boards and superintendents alike not only of the aims of education, but also of the local problems faced by boards and teachers would all tend to improve the service rendered to the community and to the pupils. The Council recommends that the Department of Education make every effort to assure co-operation between superintendents and school boards.

The Council is aware of the advantages of adequate school supervision, and therefore recommends as a first step towards the achievement of this goal the immediate employment of twelve additional superintendents. It also recommends stenographic assistance to supervisors to simplify clerical work.

Teachers' Salaries and Superannuation

The problem of securing competent teaching personnel, particularly in rural areas, is related to remuneration, salaries, and superannuation. Inequalities of financial resources from district to district, and fluctuations in the income of regions from time to time, lead to wide variations in the salaries. Tables I. and IA indicate something of the variations in average salaries from time to time between urban and rural districts. Most significant perhaps are the sharp fluctuations in Saskatchewan rural and urban salaries over five-year periods, and the quantitative difference between rural and urban salaries.

TABLE I.
AVERAGE TEACHERS' SALARIES IN SASKATCHEWAN ⁽¹⁾

Year	Province	Rural	Urban
1910	\$ 753.17	\$ 710.50	\$ 795.83
1915	860.58	792.50	928.66
1920	1,417.38	1,303.00	1,531.75
1925	1,268.25	1,119.00	1,417.50
1930	1,249.88	1,112.00	1,387.75
1931	1,045.13	874.50	1,215.75
1932	830.13	631.00	1,029.25
1933	699.75	520.25	879.25
1934	650.63	482.00	819.25
1935	654.50	480.25	828.75
1936	647.38	469.50	825.25
1937	667.50	499.00	836.00
1938	680.63	517.75	843.50
1939	713.38	555.25	871.50
1940	807.13	681.50	932.75
1941	879.83	750.33	1,009.33
1942	980.00	838.00	1,122.00
1943	986.92	812.00	1,161.83

(1) Note—These figures are approximate, since properly weighted averages were not available.

TABLE IA.
AVERAGE TEACHERS' SALARIES RURAL AND URBAN 1910-1942

Year	District	Superior First Class		First Class		Second Class		Third Class	
		Male	Female	Male	Female	Male	Female	Male	Female
1910	Rural			\$ 747	\$ 703	\$ 727	\$ 696	\$715	\$675
	Urban			1,052	730	835	682	761	715
1915	Rural			832	797	813	779	785	749
	Urban			1,298	873	1,015	800	849	737
1920	Rural			1,387	1,279	1,323	1,223		
	Urban			1,881	1,352	1,677	1,217		
1925	Rural			1,181	1,085	1,150	1,060		
	Urban			1,809	1,268	1,431	1,162		
1930	Rural			1,159	1,142	1,116	1,031		
	Urban			1,775	1,255	1,369	1,152		
1931	Rural			898	863	893	844		
	Urban			1,511	1,111	1,213	1,028		
1932	Rural			657	590	674	603		
	Urban			1,253	956	1,005	903		
1933	Rural			561	483	548	489		
	Urban			1,077	810	858	772		
1934	Rural			519	442	515	452		
	Urban			1,001	748	793	735		
1935	Rural			523	443	513	442		
	Urban			992	745	840	738		
1936	Rural			512	407	511	448		
	Urban			977	740	819	765		
1937	Rural			536	461	531	468		
	Urban			1,002	764	790	788		
1938	Rural			562	481	543	485		
	Urban			1,014	770	796	794		
1939	Rural			598	525	574	524		
	Urban			1,019	796	849	822		
1940	Rural			712	673	681	660		
	Urban			1,082	851	913	885		
1941	Rural	\$ 880	\$ 751	737	709	717	708	Temporary	
	Urban	1,213	1,009	1,059	867	957	951		
1942	Rural	921	830	819	783	789	886	\$771	\$790
	Urban	1,468	1,125	1,195	934	1,052	958	750	

(Material collected by the Department of Education, Saskatchewan).

Table II. indicates more clearly the comparison in salaries between provinces. Median teachers' salaries might be compared

with the average earnings of workers in all Canadian industries which in 1940 were \$1,207.

TABLE II.

MEDIAN SALARIES OF CANADA'S TEACHERS, 1941 (a)

(49.9 per cent. of Canada's Teachers Receive Less Than These Amounts)

	Annual Salary	Salary per 52 Week Year	Salary per 40 Week Year
Prince Edward Island.....	\$ 422	\$ 8.22	\$10.55
Nova Scotia	627	12.06	15.68
New Brunswick	588	11.32	14.70
Quebec (Protestant)	1,247	23.98	31.18
Quebec (Catholic): Lay Teachers	318	6.12	7.95
Religious Orders	479	9.21	11.98
Ontario	1,055	20.29	26.38
Manitoba	748	14.38	18.70
Saskatchewan	710	13.65	17.75
Alberta	881	16.94	22.03
British Columbia	1,321	25.40	33.03
Canada	782	15.04	19.55

(a) Report of the Survey Committee, C.N.E.A. (1943), p. 33.

Table III. suggests correlations between salary scales and certain indices regarding quality in the educational process.

TABLE III.

SOME EVIDENCES OF COST-QUALITY RELATIONSHIP (a)

Basis of Comparison	A Canadian Province Paying a Relatively Low Median Salary	A Canadian Province Paying a Relatively High Median Salary
1. Median of Teachers' Salaries.....	\$550	\$1,297
2. Percentage Teachers who are University Graduates	9.0%	30.1%
3. Percentage of Men in the Teaching Profession	17.1%	38.0%
4. Percentage of Students in Grades above the 8th ('40)	10.0%	24.0%
5. Median Experience—an Index of the Total Professional Life of Teachers.....	7.3 years	10.9 years
6. Percentage of Attendance to Enrolment—an Index of Regularity of Attendance.....	77.7%	89.0%
7. Median Experience Where Teaching—an Index of the Amount of Teacher Shifting from Dis- trict or in and out of the Profession.....	2.6 years	5.6 years

(a) Report of the Survey Committee, C.N.E.A. (1943), p. 34.

School teachers' salaries have recovered markedly since 1937, particularly since the beginning of the present war. This shows the influence of economic conditions on

teachers' salaries: They tend to be high whenever men and women have a wide range of alternative occupations open to them; and to be low whenever men and

women crowd into the teaching profession, simply because there is nothing else for them to do. There is no way, then, of protecting teachers' salaries from the influence of general economic conditions.

Were Saskatchewan youth constantly assured of alternative occupations, either in or out of the province, the teachers' salary problem would vanish. It is a sharp commentary, however, upon the place of education in the life of the community, that teaching is so frequently accepted as merely a temporary job and one of last resort. So long as it is possible to engage in teaching as a stop-gap occupation there will be recurrent downward pressure on teachers' salaries and constant uncertainty regarding teachers' status as members of the community.

Minimum salary schedules provide useful guides and reasonably satisfactory emergency guarantees of teachers' remuneration. The Council suggests that the minimum figure be raised from \$700.00 to \$1,000.00 as an initial step. Payment of the minimum salary even in times of general prosperity may be beyond the ability of many school districts and reconsideration of the basis and size of equalization grants recommended elsewhere in this Report must take note of this problem. It would seem also that a higher compulsory minimum might well be prescribed for the experienced teacher.

Current salary provides only part of the financial incentive for teaching. An adequate and equitable superannuation scheme reduces the fear of financial insecurity associated with retirement or disability. The Saskatchewan Teachers' Federation recommends certain amendments to The Teachers' Superannuation Act to add to its equity and adequacy.

These recommendations are:

- (1) The normal age of retirement be 60 years for teachers of 30 years' service and 65 for teachers of 25 years' service, with a sliding scale for the intervening years, 60-65.
- (2) a. The years of service of any teacher who has 1. joined the auxiliary services and 2. been stationed for any period in any combat area be classified as teaching service. b. Special consideration might be given to cases where Section 27 of the Act might affect the ability to superannuate at the normal age of retirement of older teachers who have been engaged in war service which does not qualify as teaching service.
- (3) The Superannuation Act be amended to allow any teacher to transfer the amount of his credit in the annuity account to the superannuation fund in any other province without any forfeiture.
- (4) The Superannuation Act be amended to authorize School Boards to refrain from deducting 4 per cent. contributions to the fund from substitute teachers' salaries.
- (5) There should be no second forfeiture of funds by teachers who have re-entered the profession.
- (6) A substantial increase in service pensions should be made.
- (7) Section 45 of The Superannuation Act be amended to replace the period of employment of twenty years or more stipulated therein by a more reasonable length of time.

In the opinion of the Council these principles are entirely reasonable and amendments embodying them should be introduced without delay.

THE LARGER ADMINISTRATIVE UNIT

Introduction

Dissatisfaction with the size of the present administrative unit in Saskatchewan arises from dependence of a school on tax revenue from a small area. If the school is situated in a poor area the revenues attainable are not sufficient to maintain a suitable standard of education.

While the obvious remedy would seem to be union of small districts into larger ones, and consequent broadening of the base of taxation revenue, this would destroy our present system of localized administration. The delegation of authority to small local districts originated and developed in days of early settlement when poor roads and communication made such a system appropriate. Local participation in, and local control of, educational institutions are necessary to guarantee the fulfilment of educational needs. While this is true there is no factor inherent in the larger unit that prevents local control. In larger districts delegates from parts of the area could control educational matters without substantial disagreement.

In the following sections the present Saskatchewan unit is described and compared with other provinces and recommendations are made which are calculated to increase efficiency of operation.

Present Units in Saskatchewan

Saskatchewan is divided into more than five thousand school districts, most of them less than twenty square miles in area. Due to variations in population density enrolment varies widely. Table I. indicates the distribution of pupils in Saskatchewan's rural schools.

Table I.
**Rural Schools and Distribution
of Students (1943)**

No. of Students	No. of Schools
6 or less.....	31
7 or 8.....	103
9 or 10.....	233
11 - 15.....	750
16 - 20.....	760
21 - 25.....	644
26 - 30.....	483
31 - 40.....	568
41 - 50.....	265
51 - 60.....	127
60 -	125

In addition to wide variation in enrolment a further difficulty is that units do not have equal revenue sources. Each unit receives a grant from the provincial government, but the bulk of the revenue must be raised by the school district. The practice is for the municipal council to levy a land tax and to turn the revenues received over to the district school board. The value of land subject to taxation varies from \$10,000 in one district to \$400,000 in another. The cost of a one-room school is about the same in all districts, but to obtain \$1,000 the latter district need levy a tax of only 2½ mills while the former district must levy 100 mills. Some progress has been made in correcting such anomalies. Prior to 1939 a uniform annual grant of \$300 was paid to all elementary schools. In 1939 equalization grants were introduced establishing increased grants to all schools with an assessment below \$100,000. These grants were graduated in inverse relationship to the assessment value, and they reached a maximum of \$100 for schools with an assessment of \$50,000 or less. This grant was quite inadequate and in 1943 the amount was doubled. It is still inadequate because it fails to offset the inequalities caused by varying taxation bases.

There has been a common realization in Saskatchewan of the difficulties caused by the small school unit. The distribution of the cost burden, and the variation in the number of students in schools has led to considerable agitation. The government has at various times taken note of this, and there have been attempts at a solution. For example, in 1917 the Government engaged

Dr. Foght, Specialist in Rural School Practice, Bureau of Education, Washington, D.C., to investigate conditions in Saskatchewan and recommend solutions to the problems.

Dr. Foght advocated a plan of school reorganization dis-establishing all school districts then organized outside of incorporated villages and town districts, and the re-establishment instead of all schools lying wholly or in part within each rural municipality as one single municipal school district, with one municipal board of education, together with custodians for each school in the municipality. No action was taken on Dr. Foght's recommendations.

The trend toward the larger unit in Saskatchewan was evident in 1933 when a committee appointed under chairmanship of Mr. N. L. Reid, to report on school finance and school grants, recommended to the Minister of Education the division of the province into school taxation areas, each to comprise about fifty school districts, which might also become administrative and supervisory areas. No action was taken on this recommendation. In 1939 a committee appointed under the chairmanship of Mr. Justice Martin to investigate and report on school administration in the province recommended the selection of several experimental units, each including from sixty to seventy-five school districts in which a vote should be taken on the question of administering the schools as a larger unit. Following this, in 1940, the legislature passed The School Divisions Act, allowing for the setting up of larger units in suitable areas. Petitions to set up the larger unit must be signed by 200 resident ratepayers, before any plans can be put into effect. In 1943, 250 resident ratepayers in the Swift Current superintendency took advantage of this provision, and the area will be mapped out by the Minister of Education, a vote taken on these boundaries, and if approved, the larger unit will function in 1945 as the first in Saskatchewan. There is provision for dis-organizing the division after five years' operation if not less than 15 per cent. of the resident ratepayers petition the Minister for a vote and the resident ratepayers vote to revert to the former system.

Comparison With Other Provinces

From the viewpoints of finance and teaching efficiency the advantage of larger units of administration is apparent. In the following paragraphs experiments in five other provinces are noted and discussed for the purpose of relating them to the Saskatchewan situation.

In Nova Scotia, a commission was appointed to investigate and report on the desirability of making a change in the pres-

ent system of administration. In New Brunswick, county educational surveys were conducted in 1937 in King's County and in 1938 in Carleton County. Both these recommended setting up a county school board, replacing local school boards with local advisory boards.

In Ontario, legislation has been enacted whereby the council of the township may by by-law set apart the whole or any portion of the township as a school area. In 1938 there was a general movement in the direction of uniting the small units into township units. These are much smaller in area than the unit of administration proposed for Saskatchewan.

Manitoba legislation provides for the establishment of the municipality as the administrative unit. The Municipality of Minota has been a unit of administration since 1919, when 11 schools, controlled by eleven boards of trustees were reduced to 8 schools, controlled by one board. This unit operated with marked success. In 1936 The School Act was amended to enable the Lieutenant-Governor-in-Council to set up municipal schools in rural municipalities in which all the school districts are under the management of an official trustee. Under this legislation seven districts have been created.

British Columbia has two striking examples of larger unit administration. One is in the Peace River District, where in 1934, 39 school districts were merged. This brought about generally improved conditions and ability to provide more services. As a result, in 1935 the Department of Education approved the formation of one large unit to include the whole of the Peace River Inspectorate. The other successful unit at Abbotsford, a consolidation of municipal districts containing 19 schools, is used to demonstrate results obtainable from large area administration unit. Conditions and services have been improved and extended so as to overcome opposition, and all improvements have been made without additional cost to the ratepayers.

Alberta is of particular importance for reference because it is the one province having complete legislation for the organization of larger administrative units. In 1934 the Legislative Assembly amended The School Act, to give the Minister authority to constitute any two or more school districts into a union providing that the affairs of each school district included were administered by one board. No unions were established under this legislation. In the first session of 1936, the legislature added a new Section, providing in detail the procedure to be followed in the establishment and operation of larger units. The Minister of Education has authority to constitute School

Divisions consisting of any number of rural districts. The new Section sets out the various steps to be taken in establishing a school division, specifies the powers and duties of the Divisional Boards and Local Boards, decides what is to be done with the assets and liabilities of the school districts and determines how funds are to be raised and spent. The Division is controlled by a board of 5 members (one representing each of the five subdivisions making up the larger unit) nominated by delegates, elected by the electors of the subdivision. Financial responsibility was transferred from the local boards to the newly formed Division. The Division is given full control of the staffing and financing of schools within the division, and also may exercise at its discretion certain powers including the hiring of physicians, dentists, nurses, teachers of special classes and the furnishing of free texts and supplies. The size and boundaries of the Division are to be determined by natural physical features, main highways and roads, and homogeneity of population. The number of classrooms one superintendent can supervise governs size in all but a few cases.

According to the Annual Report of the Department of Education of Alberta for 1942, only isolated districts remain outside the Divisions, which number 49, served by 42 inspector-superintendents. Twenty dormitories are provided for rural boys and girls, at a usual fee of \$12 per month. Subsidies are necessary where this figure does not cover the cost. The problem of advanced instruction is being met by more two-room schools, centralization of schools, van service, arrangements with town and village schools, dormitories and correspondence courses. If high school work is not available in the Division, the school district must pay fees to a maximum of \$35.00 on behalf of students taking high school work outside, or pay fees for correspondence work.

In Alberta, the establishment of the larger administrative unit resulted in improved attendance and increased length of school year since all schools operate throughout the year, whereas formerly some found this impossible. Thus maximum use was made of schools and equipment. It has not reduced expenditures on education, but it has lowered the yearly cost of education per pupil according to both enrolment and average of attendance.

The apparent result is that the large unit is gradually gaining favour in other provinces. On the whole, larger units have been a marked success, and while, with the exception of Alberta, the trend has not been carried to its logical end, the tendency has been, and is, towards complete reorganization on the basis of larger school units.

Evaluation of Larger Units

The main argument for the larger unit is financial. Small units dependent upon local taxation for 75 or 80 per cent. of their revenue are likely to suffer from localized depressions. With the enlargement of the unit revenue sources are placed on a wider base, and thus greater financial security is obtained. A larger unit operates at lower cost because of quantity purchase of school supplies, reduction in the cost of auditing, avoidance of waste by budgeting and accounting, and finally because of savings in bank charges and bank interest through consolidation of school accounts.

In addition to the financial advantages of a larger unit, there are advantages in the teaching field. Certain factors tend to increase teaching efficiency; friction between trustees and teachers is reduced, teachers are placed in positions most suitable to their talents and training, opportunities for promotion arise, and finally a salary schedule can be set up based on qualifications and experience. The larger unit makes possible an improvement in secondary educational facilities. Securing competent instructors in music, art, domestic science, and vocational subjects would be practicable because there would be more students in each school, and classes large enough to permit specialization in subjects.

The Council is aware that the establishment of larger school units will not be a panacea for all educational difficulties in the province. The fundamental facts will remain largely the same. No matter how large the unit, inequalities in tax sources will remain. Larger administrative units cannot solve the troublesome conditions caused by a scattered population and long, cold winters, nor the difficulties due to lack of all-weather roads. Larger school units are designed to provide a sounder base for financing the educational system. Further financial aid will still be required.

Alternative Administrative Systems

Besides the suggestion for the larger administrative unit dealt with in this section of the Report recommendations have been made for consolidated schools, or the substitution of municipal units for the present school districts.

Consolidated schools replace a number of individual one-room schools. Their successful operation depends on making one large, centrally located school accessible to all children in the school area. Schools of this type have proved successful in Manitoba in relatively densely populated areas. If the population is sparse it is necessary, if regular attendance is to be maintained, to pro-

vide transportation, or the means of transportation to individual families by subsidy. Cost of transportation has ranged from 50 to 120 per cent. of salaries paid teachers in Manitoba and Saskatchewan. This added to cost of modern well-equipped buildings, makes the cost of consolidated schools so high that only wealthy districts can afford them. Furthermore, the districts in which the 41 consolidated schools in Saskatchewan are centred are still too small to include in their area any considerable diversity of revenue sources. Thus the financial problem which plagues our present system remains—partially solved it is true—but still too difficult for solution by the consolidated school method.

Suggestions have been made to the Council that several municipal organizations should be used as a basis for the reconstruction of school districts. Such a proposal would be admissible if the present municipal system were considered satisfactory. However, the Council recommends elsewhere in this Report the formation of a committee to study all the aspects of the present municipal unit. Until such a study has been made, and conclusions reached regarding the efficacy of the present organization, the addition of a further administrative burden to what may be a faulty system is thought short-sighted.

Conclusions

The Council thinks that the Department of Education should make a careful study of the problem of the larger administrative unit, and after such study, openly favour or oppose the establishment of these units and give guidance to districts, making known the advantages or disadvantages.

The Council approves of the principle of larger units and thinks that if the Swift Current plan is not developed, the Provincial Government should zone the province into suitable units and hold a vote in each to determine the wishes of the people regarding the establishment of the larger unit in their section; the object being to ensure the establishment of two or three units which would serve to demonstrate to the rest of the province the possibilities of the larger administrative district.

TECHNICAL AND VOCATIONAL SCHOOLS

Agricultural Instruction

The Council received many proposals for the extension of facilities for agricultural education, and for the innovation of new training facilities. At present the College of Agriculture at the University of

Saskatchewan provides a two-fold service, training students in degree work, and operating a special agricultural school for farm boys during winter months. At this school, students take practical and theoretical courses in problems common to Saskatchewan farms.

Proposals for extension of facilities suggest a dormitory at the University for sole use of short-term agricultural students. This would provide the opportunity for association so necessary to the development of

citizenship. In addition to dormitory accommodation a separate staff of teachers is necessary to give the fullest possible instruction to short-course students. The present staff is fully occupied.

Youth training courses have been provided by the Extension Department of the University. A summary of these since 1937 indicating the duration of the course and the number of students enrolled is shown in Table I.

TABLE I.

Two-Week Rural			Other Rural		University Courses			Total Enrolment
Year	No.	Enrolment	No.	Enrolment	5-Month Enrolment	6-Week Enrolment		
1937-38	69	3,577	2	3-week	335	25	100	4,037
1938-39	99	4,557	26	3-day	602	50	(2) 199	5,408
1939-40	78	3,005	5	1-month	305	80	80	3,570
			1	6-week	56	2	4-wk. 44	
1940-41	39	1,016	----	----	36		41	1,093
1941-42	29	795	2	1-month	88	19	49	951
TOTALS	314	12,950	7	1-month	1,386	210	44	15,059
			1	6-week				
			2	3-week				
			26	3-day				

Their success has been attributed to several factors. First, flexibility in length and content of the courses make them capable of satisfying the requirements of various communities. Second, practical nature and shortness make them attractive. Third, instruction being given in home communities, boys can attend without leaving home. Fourth, schools can be timed to fit needs of particular communities. The success of these schools indicates that the best way of getting practical agricultural knowledge to isolated rural communities is to take it to them.

The establishment of individual rural schools of agriculture was proposed at a number of public hearings. The experience of Alberta is relevant and suggests that proposals for agricultural schools must be carefully studied. Between 1913 and 1944 Alberta has had six agricultural schools. Four have failed and one has been taken over by the Military. At the present time the school at Olds is the only survivor. Many reasons have been given for their failure. The Deputy Minister of Agriculture of Alberta stresses that if adequate attendance is to be maintained it is essential that schools be placed in central and convenient places in relatively densely populated areas. He states that the agricultural schools in Alberta did

not satisfy this requirement. His further explanation of their failure is concerned with their administration. The Department of Agriculture controlled them after 1921 without representation of other interested agencies such as the Department of Education. A study of the enrolment statistics seems to indicate that there was over-extension of schools. For example, in 1920-21, the first year in which all six schools were operating the enrolment in two of them was considerably below that of most preceding years. As the Alberta population is comparable to that of Saskatchewan her experience should give some indication of the number of schools necessary for Saskatchewan.

The Council recommends the establishment of two or three agricultural schools in the immediate post-war period. These must be equipped with dormitories, and a college farm. Their establishment being conditional upon the careful selection of sites, the Council recommends that a committee representing the Department of Agriculture, the College of Agriculture, the Department of Education, the Rural Municipal Association and the Town Planning Commission make a complete survey to determine the best place for them, and make recommendation as to their supervision.

Technical Training

Many recommendations were made to the Council regarding technical training. Several recommend the construction of new vocational schools, while others recommend the extension of present facilities. Professor Hardy of the University recommended the establishment of a "manual arts" school. This would be the rough equivalent of junior technical schools in the United States. These suggestions must be considered in relation to the needs of modern technology.

The demand for technically trained personnel is concentrated in a particular field. To qualify, the worker must have had an intensive and extensive course in practical engineering. Training provided at present does not suit the peculiar needs of modern technology. On the one hand the smattering of knowledge gained in technical schools is not sufficient to enable the student to take his place in industry, while on the other hand, the majority of workers required do not need university degrees. The existing gap between the university trained man and the technical school student must be bridged so that a supply of men with about two years practical training is available.

The Council does not condemn the present technical school, but it does not recommend their expansion as they exist today. It recommends that the government appoint a committee composed of representatives from the University of Saskatchewan, the Engineering Society of Saskatchewan, the Department of Education, and existing technical schools, to investigate the usefulness of the present day technical schools and of the advisability of establishing junior engineering schools in this province. It further recommends that the Department of Education add a thoroughly qualified technical man to its staff, and appoint him director of all technical and vocational training in the province.

Composite Schools

The Council received several proposals for establishment of composite high schools. These are distinguished from the academic high school because in addition to providing academic training leading to matriculation they provide an introduction to modes and techniques of the industrial world. A composite school is distinguished from a purely technical school in that it provides only an introduction to the industrial crafts, whereas technical schools give complete and specialized technical training.

As present need is for students trained more intensively than technical school graduates, it seems logical that composite high schools will not satisfy modern indus-

trial demands. They might however provide training for entrance to junior engineering schools. The Council does not think that any recommendation should be made regarding composite high schools until the committee recommended above surveys the technical education presently provided and investigates the training needed for adjustment to the industrial world. When this committee reports on these matters the position of composite schools should become apparent.

Indian Schools

In the briefs submitted to the Council on education, reference was made to Indian education. Briefs stated that life on the reserves was not progressive, that the present system of Indian education in advanced grades was a failure, and that vocational training was conspicuously absent. They suggested that Indian education should be completely reformed, and young Indians given thorough vocational training so that on returning to their reserves they might be leaders in their community.

Since Indian affairs are under the jurisdiction of the Dominion Government the Council can only recommend that the Provincial Government investigate conditions and present their conclusions to the authorities concerned.

Conclusion

The Council was impressed by the concern of educationists, laymen, local governing bodies, and various societies over the lack of vocational educational opportunities in the province. It is convinced that the subject needs much more study than it has received, and consequently recommends the establishment of several investigational committees. The situation is in a state of flux, and therefore changes should be studied carefully. The most recent educational philosophy stresses the importance of technical and vocational training, but if that training is given the Council urges that it conform to modern needs.

THE UNIVERSITY

Introduction

The University may be said to have a three-fold function, the higher education of youth, the conduct of research, and the guidance of adult education and extension work. Their importance is steadily growing and there is little need for comment upon their necessity in the post-war world. Following the cessation of hostilities, University education must play an important part in the programme of general reconstruction.

It must expect to absorb a considerable proportion of the men and women returning from the services. In the long run it is essential that it fulfil its function of developing adequately trained technical personnel and stressing cultural values. To attain these objectives the Council does not consider present conditions adequate and suggests the adoption of improvements.

Developments Contingent Upon Demobilization

Many university students have entered the armed services without completing their course; many ready to enter did not. To absorb these, the University will have to expand and make changes in the present organization.

Many returned men and women who never received advanced education will have to be absorbed by the university. To permit this the entrance standard must be modified and opportunities provided to bring them up to the modified standard. Those ready either to begin academic studies at university or to resume interrupted university studies must also be accommodated. The problem of providing education on a pre-university level, and of providing refresher courses will demand a good deal of temporary expansion and adaptability on the part of the University.

The number who will avail themselves of opportunities for higher education is not known at present, nor is it likely to be known until a much later date. It is certain that the number of students will be temporarily increased. To accommodate this number, increased living accommodation and extended teaching quarters and staffs will be required. The wisdom of transferring buildings now at the disposal of the Department of National Defence to the University immediately after the cessation of hostilities is apparent. It is even probable that the number available in Saskatoon will not be sufficient.

Permanent Expansion Necessary

The President of the University suggests that in addition to immediate needs for accommodation of war personnel which it is expected will be of a temporary character, there are needs of a more permanent nature. At the present time, the following colleges are established at the University: The College of Arts and Science, Agriculture, Law, Engineering, Pharmacy, Commerce, Education, Household Science and Music. Schools of medical science, of physical education, of nursing, of agriculture, and of graduate studies are also established.

Adequate accommodation for these colleges and schools is lacking. Erection of a building for Arts and Science, Commerce, Education, Law, Household Science and

administration offices is necessary. The President suggests that to ensure a complete course in medicine it is necessary to build a self-contained medical school. This entails a medical college building and a hospital. There is great need for convenient and modern library accommodation. As the present space is unsatisfactory the erection of a library building is the only solution. The necessity of accommodating the short-term agricultural students demands erection of a school of agriculture with dormitory accommodation. Accommodation at the University is not capable of handling an increased number of students so, if the number increases as is expected, enlargement and extension will be necessary. The President states that there is little provision for the encouragement of Saskatchewan art. He recommends the construction of a College of Art in Regina. If this is built, the building must be suitable for permanent and exchange exhibitions of pictures, and provide studios for instruction of students in all grades and branches of art and handicraft, an auditorium for lectures and facilities for broadcasting music, speeches and drama.

The suggestion that the University should be a centre for research in all fields relevant to agriculture would probably meet with common acceptance. However, the proposal that the University promote adult education meets with a less certain reaction. If promotion means the provision of opportunities whenever special requests are made, the Council agrees, but if promotion means a substantial encouragement or propaganda campaign the Council thinks that this falls outside the sphere of university functions. In general the Council thinks that the university should restrict itself to academic studies and research work. An expansion of extension activities or work in the field of adult education places too much of a burden upon the instructors at the university, and does not allow them to maintain the highest standards in their academic work. However, the Council is not sufficiently acquainted with the technical aspects of the work of the Extension Department to make recommendations regarding it. It does recommend that an investigational committee with representatives from the University, the Department of Education, and established adult education groups be instituted to investigate problems associated with adult education, and the relation of those problems to the Extension Department of the University.

Western Canada needs a veterinary college. The Council is convinced that there is no need for more than one in Western Canada, and therefore, before the University of Saskatchewan establishes one, a committee should be appointed to consult with the other universities in the prairie provinces with a view to reaching some agreement

for the co-operative establishment of one college. There is the danger of unnecessary duplication in educational facilities in the west, and co-operation in the building of new colleges is necessary to avoid over-expansion.

University Finances

The Rowell-Sirois Report recommended that responsibility for provincial aid to education be left with the provinces and that they provide finances for scholarships, technical training and grants for general educational purposes. As a general principle it was suggested that a small, annual grant from the Dominion Government, divided among provinces in proportion to population for the benefit of state-assisted institutions, might be established, but no specific sum was set. Finance of education in general, and of university training in particular, falls directly upon the provincial government at the present time.

University funds are provided now from three sources: Provincial funds, students' fees, and gifts. With the considerable extension planned there is need for substantial increase in revenues. Students' fees and gifts are comparatively fixed in amount, and there can be little hope of financing increased costs through them. The burden of extension therefore falls entirely upon the Provincial Government, and, indeed, this is the logical source of funds as it is a generally accepted principle that educational costs should be spread over all taxpayers in the province.

The increased costs of University expansion will amount to a considerable sum. Table I indicates the various schemes and the costs to the University:

TABLE I.

Item	Cost
<i>Annual Costs</i>	
Education of Returned Men and Women	\$ 150,000
Research in Agriculture.....	50,000
Medical School and Hospital operating, costs.....	80,000
Development of schools for rural young women using military buildings	10,000
Restoration of instructors' salaries to 1929 level (a)	40,000
Total.....	\$ 330,000

(a) Estimate.

Item	Cost
<i>Capital Expenditures</i>	
1. Arts and Science, etc., Building \$	800,000
2. Medical College.....	500,000
3. Hospital in conjunction with college	1,250,000
4. Library	300,000
5. School of Agriculture.....	120,000
Total.....	\$2,970,000

In addition to the costs summarized in the table above the Council draws attention to the need for extensions to Geology and Ceramics departments, and dormitories for the proposed school of agriculture.

These, relative to former grants to the University, will be large, but the importance of universities in the post-war world justifies the increased cost. Universities will play an important part not only immediately by absorbing many returned men and women, but in the long run by providing scientific and cultural advantages. Therefore the Council recommends that the Government provide funds to enable the University to implement the proposed programme.

Financial Aid to Students

At the present time a substantial sum granted by the Dominion and Provincial Governments is given in scholarships to a limited class of students. This is to encourage studies classed as beneficial to the national interest. In addition there are a limited number of scholarships granted for exceptional brilliance in academic work.

The Council recommends aid to students to ensure equality of educational opportunity at the University. Scholarships for undergraduate and graduate work should be granted to all who show exceptional ability. These should be of sufficient size to give definite encouragement, and furthermore, they should be equally distributed over all the fields of learning so as not to concentrate students in particular fields. The Council does not endorse the present practice of granting scholarships on the basis of need, but thinks that the only qualifications should be academic distinction, character, and leadership in student activities.

In order to promote equality in educational opportunity the Council recommends that interest-free loans be granted to deserving students in need of aid, providing they show definite promise of completing the work satisfactorily. If a student lacks the academic qualifications for a scholarship, he would be able to attend by borrowing the money on special terms, but if of scholarship calibre he could still borrow money if necessary.

Conclusion

The Council recommends that the University be given every opportunity to fulfil its place in the post-war world. Financial aid should be given to allow the necessary expansion in accommodation, teaching staff and research. Further, the Council recommends the adoption of a scholarship and interest-free loan system to promote equal educational opportunity for all.

LIBRARIES

Present Facilities

All educational development, whether it be formal teaching of the young or continued education of the adult, depends on an adequate and efficient library service within the easy reach of every man, woman and child in the country. The extent to which this is available has been determined by a survey conducted by the Saskatchewan Library Association. The findings follow:

Library services approach a fair degree of adequacy in the Cities of Regina, Saskatoon, and Moose Jaw, through the existence of well-conducted public libraries, and the Legislative, University and College Libraries for limited adult patronage. The 128,726 volumes of the three above-mentioned public libraries had a total circulation of 796,746 volumes for 1941 among a total of 43,915 registered borrowers. The 45,000 volumes in the Legislative Library are available only to members of the Legislature and government departments, while the 113,000 volumes in the University and College libraries in Saskatoon and Regina are restricted almost wholly to registered students.

Twenty-three small centres have free public libraries with a total book collection in 1941 of 85,157, and a total circulation of 190,702. A great number of books are old, worn, and out-of-date.

Twenty-six other towns, villages and school districts have "Mechanics and Literary Institute Libraries", or "Associate Libraries" with a total book collection of 27,301 volumes in 1941 and a circulation of 33,359. In most cases books are old and out-of-date.

No other urban or rural municipalities possess local library facilities of any kind. Apart from the Wheat Pool Library with its circulation of 11,000 volumes to Pool members only, the limited rural mailing book service of the Saskatoon Public Library, the Lady Tweedsmuir Libraries, and the small circulating Homemakers' Libraries, the great majority of the people of the Province are dependent on the Travelling and Open Shelf Libraries.

These latter two types of library might well form a worth-while service to Saskatchewan's rural citizens. That they do not is indicated by the fact that last year only \$493 was expended on the purchase of new books for the Open Shelf Library and \$616 for the Travelling Library.

Apart from the collegiate institutes in the three major cities which employ teacher-librarians and maintain collegiate libraries, secondary schools lack adequate library facilities.

School libraries throughout the small urban and rural areas are almost wholly lacking. This condition is especially to be deplored in view of the fact that new meth-

ods of school technique and new school curricula depend more and more on the school library becoming the centre of activities in the school. While The School Act requires each school board to spend \$10 per classroom annually on books for the school library, departmental regulations qualify this by permitting the expenditure of the money on other equipment, upon recommendation of the inspector. Clearly, Saskatchewan requires a provincial-wide service to provide pools of books at suitable regional centres from which the needs of rural schools may be met.

No adequate library facilities exist for those young people who must obtain their education through the channels of Government Correspondence Courses or the University Extension Department. A provincial library service, under an adequately trained personnel, is necessary, not only to fill this gap, but also to facilitate the national and provincial programmes of rehabilitation of the tens of thousands of men and women who will be returning from the armed services and war industries in the immediate post-war period.

Educational needs of adults are met in the three major cities in Saskatchewan only where reading and reference rooms of public libraries stock sufficient books and periodicals pertaining to social, economic and political subjects. Elsewhere facilities for such adult enlightenment are quite inadequate. This condition should not be allowed to continue especially when it is realized that books and periodicals dealing with these subjects constitute the principal continuing school of the average citizen.

Present and Future Needs

Admittedly, then, library facilities must be increased and extended to those points in the Province where travelling and donated libraries are neither comprehensive nor complete enough to meet the basic needs of the people. The table following is ample evidence that a much greater amount of money must be expended annually on library extension in Saskatchewan to bring library service up to the level of other provinces. Much of this will have to be financed by the Province.

Expenditures on Books and Periodicals by Public Libraries 1941 (a)

Province	Amount	Per Capita
Prince Edward Island.....	\$ 5,874	6.2c
Nova Scotia	3,298	0.6
New Brunswick	4,072	0.9
Quebec	29,517	0.9
Ontario	301,266	7.9
Manitoba	20,199	2.8
Saskatchewan	14,162	1.6
Alberta	27,569	3.5
British Columbia	46,484	5.7

(a) Bulletin of the Dominion Bureau of Statistics "Survey of Libraries in Canada 1940-1942".

To direct this needed library extension policy the Council recommends the appointment of a Provincial Library Commission to establish and supervise library regions necessary for a more adequate book service. As a beginning this Commission should install regional libraries in cities and towns where a public library now exists. From the regional library, books would be sent to a number of book depots or sub-stations of which several should be chosen in each of the regions.

This system of extending library facilities to a much greater number of people has worked out very successfully in those provinces in which it has been in operation, notably in B.C. and P.E.I. In both of these provinces an initial grant was obtained from the Carnegie Corporation sufficient to finance a library survey and an initial regional library experiment.

If this extended library service is undertaken it would be wise to inaugurate an elementary course in library methods at the University of Saskatchewan Summer School and the Normal Schools so that satisfactory teacher-librarians could be trained to serve in book depots and sub-stations established in the rural areas.

Conclusions

It is once again emphasized that the Council is firmly convinced that adequate library facilities are of maximum importance in furthering the aims of education. It believes that these services are extremely necessary in the development of a properly functioning and thinking democracy. Because of the essential importance of these services the Council is in favour of expansion of existing facilities. It thinks that a thorough investigation of experience in the other provinces with special reference to British Columbia should be instituted. The need for a provincial library commission would be indicated by such an investigation.

Furthermore the Council is of the opinion that a class in elementary library methods should be instituted at the University of Saskatchewan Summer School and the Saskatchewan Normal Schools to train teacher-librarians so that they may efficiently serve in the book depots established in the rural areas.

PROVISION FOR EXCEPTIONAL CHILDREN

Gifted and Sub-Normal Children

It is gradually being recognized that there are many children whose interest cannot best be served by following ordinary classes. Many exceptionally gifted and bright pupils

are held back by classes catering to the majority while there are many more too dull to keep the pace set by the normal student.

Some provision has been made for sub-normal pupils. At present half a dozen classes for such children are in operation in the City of Saskatoon and a similar number in Regina. As the standard number for a special class is 16, not more than 200 children are cared for by these classes. When it is realized that there are probably 9,000 such children in the Province it is apparent that facilities are inadequate and must be increased. Accordingly it is recommended that a special department be set up within the Department of Education (this is the case in Ontario, where the department is called the Department of Auxiliary Classes) under the supervision of an Inspector of schools with special training in the field of mental testing and psychology of exceptional (atypical) children. This department would co-operate with mental hygiene clinics and foster the development of special classes within the school system.

For children outside the cities special provision could be made for their conveyance to school, or for dormitory accommodation (as is the case in Ontario), or investigations could be made as to the possibilities for the establishment of partially special classes as has been done at Lloydminster. Here, a number of slow-learning children below 80 I.Q., are placed in a special class and the teacher is given an ordinary class in the same room to bring the total number of pupils up to about 25. However, it is emphasized that there is need for direction by the Department of Education in the selection of pupils, in the selection of teachers and in the supervision of the work. This would entail increased grants from the Province. It is estimated that the Department of Education would require an annual amount of \$10,000 for administrative expenses, in addition to school grants for the schools concerned.

Special education of gifted children has been almost entirely neglected. The Canada and Newfoundland Education Association reports that at present there are only four classes throughout Canada devoted to these. When it is realized that it is this type of child who often becomes the leader of the future it is evident that a great deal must be done to ensure such children adequate opportunity to develop their ability. Specially trained teachers should be available to instruct in a greatly broadened curriculum.

Deaf Children

The educational needs of the deaf in the Province are administered by the Saskatchewan School for the Deaf in Saskatoon. This school, maintained by the Department

of Education, had a total enrolment last year of 151, which included 8 pupils from Alberta and 46 from Manitoba. Besides auditory and visual education special attention is given to vocational training in order that students may be provided with a means of earning their living. This policy has been successful and graduates are now doing commendable work in various industrial establishments and taking their rightful place in society.

With respect to the hard-of-hearing, whose condition scarcely warrants placing them in the School for the Deaf, special classes should be held to teach lip-reading so that students handicapped in this way can take part in regular school activities and avail themselves of the usual formal education.

Blind Children

There are five schools for the blind in Canada located in Halifax, Montreal, Brantford, Winnipeg, and Burnaby, British Columbia. Saskatchewan blind, for the most part, attend the school in Brantford where they are taught the usual subjects of the school curriculum as well as Physical Training, Household Economics, Manual Training and Music.

While these schools seem to provide adequate accommodation for those individuals who because of insufficient sight are unable to make proper use of public schools, it would appear that much remains to be done for those either too young to attend them or merely threatened with loss of sight. Accordingly the Council recommends that:

1. Sight saving classes, making use of special equipment, be established in the larger urban centres.
2. More teachers for the blind be trained. These should be able to advise and attend to the needs of pre-school children.
3. Talking-book machines for blind be acquired. The cost is approximately \$80 and it is estimated that 200 will be required.
4. Special training facilities should be provided for blind returned men.

Crippled, Maimed and Diseased Children

Children so handicapped have no facilities for formal education in Saskatchewan. While the number of these may not be sufficient to warrant the establishment of a separate school, nevertheless some provision must be made. It is suggested that the provinces co-operate and jointly establish schools fashioned along lines of the Smouse School for handicapped children in Des Moines, U.S.A.

MISCELLANEOUS

Correspondence School

To provide educational facilities for pupils unable to attend a regularly constituted school because of unfavourable location or personal disability the Saskatchewan Government maintains a correspondence school. This operates in two divisions, namely, the elementary, and the high school, each with its own staff of instructors but a clerical staff operating the whole school as a unit.

In the elementary school section there are two types of pupils, those to whom lesson-helpers are sent but whose studies are supervised locally, and those for whom the Correspondence School assumes full responsibility. In the first group the responsibility of the Correspondence School ends with the forwarding of the lesson-helpers. In the second group the pupils send their exercises to the Correspondence School for correction and directive instruction. In the academic year 1942-43 598 pupils received full tuition in the elementary grades and 380 received lesson-helpers only.

In the high school section there is a similar grouping of the students. However, in grade XII no instruction is given in rural schools and all students forward their work to the Correspondence School for correction. In the year under consideration 1,155 students received full tuition in grades 9 to 12 inclusive and 7,282 received lesson-helpers only. Courses were also sent to 47 returned soldiers and 1,057 teachers.

The Correspondence School co-operates with the Canadian Legion War Services to provide instruction in high school mathematics to the armed forces. There are approximately 2,000 men and a few women enrolled. Monthly reports of this service are forwarded to Ottawa.

While instruction by correspondence fills a definite educational need it by no means takes the place of actual school attendance, where the association of other students and the personal guidance and interest of the teacher play an important part in educational development. It is hoped that with the establishment of the larger unit there will be a decreased need for tuition by correspondence.

Adult Education

The needs of this important phase of education are at present being handled by such local agencies as church societies, chambers of commerce and service clubs and by such national organizations as the Canadian Red Cross and the Canadian Association for Adult Education. These voluntary agencies, realizing that education of the individual

is a continuing process that must be extended beyond the elementary and high school, have sought to develop interest in adult education by means of increased library facilities, publications and radio programmes. Their efforts in this connection have been notably successful but there is a need for greater organization and direction, and this should be provided by the Federal and Provincial Governments. The Council feels that the attention of these bodies should be directed to the growing need for increased facilities for adult education. The Council specifically recommends that:

1. The University Extension Department and the Provincial Department of Education co-operate in providing short courses for training leaders in this field.
2. The Department of Education and local school boards co-operate in schemes of adult education.
3. Homemakers' courses and extension work in all fields of women's interest be provided.
4. School buildings, as community centres, be available for adult education.
5. An extension library at the University be instituted.
6. If and when funds are available an addition be made to the University Department of Women's Work of
 - (a) An assistant director;
 - (b) A nutritionist;
 - (c) A handicrafts specialist, with handicraft course available at the University;
 - (d) A recreation specialist.

Home and School Clubs

There are about thirty affiliated Home and School Clubs in Saskatchewan. The Province of Alberta has 163 such associations and Ontario 400. There is a Saskatchewan Federation of these clubs, a Canadian Federation and an International Federation. They correspond to Parent-Teacher Associations in the United States. One aim of these clubs is "to interest all people in all children and to link in common purpose the home, the school and other educative forces in the life of the child, to work for his highest good". The Council considers that the organization of these clubs should be encouraged by the Department of Education.

Educational Council

The School Act (R.S.S. 1940, c. 165. S.S. 10-14) provides for an Educational Council of five members appointed by the Lieutenant-Governor-in-Council. Their duties are to discuss and report on all general regulations respecting the inspection of schools, the examination, training, licensing and grading of teachers, the amendment or adoption of courses of study, teachers' institutes, text and reference books, and any other matter concerning the educational system of Saskatchewan.

The Reconstruction Council recommends that the Educational Council be reconstituted *de novo*. It is considered that its membership should represent groups particularly interested in education from diversified viewpoints. The Council recommends that membership include representatives from the University Council, the Saskatchewan Teachers' Federation, the Association of Rural Municipalities, the Association of Urban Municipalities, and the Saskatchewan Branch of the British Empire Service League. The Council considers it imperative that the Educational Council be actively associated with the Department of Education in an advisory capacity.

RECOMMENDATIONS

Finance

1. That the Rowell-Sirois principle of federal aid to provinces to ensure the maintenance of a national minimum standard should be embodied in suitable legislation.
2. That, pending the implementation of the Rowell-Sirois Report, the present system of equalization grants be extended to ensure the maintenance of minimum standards in rural areas.

Training, Supervision and Remuneration of Teachers

3. That the Normal School curriculum be expanded to ensure full coverage of all basic subjects.
4. That the entrance and qualifying standards for Normal School be raised.
5. That the extension department of the Normal Schools be encouraged, and if found necessary, expanded.
6. That twelve additional inspectors be employed.

7. That the Department of Education make an effort to assure co-operation between superintendents and school boards.
8. That stenographic assistance be given to supervisors.
9. That the Saskatchewan Government raise the minimum salary for inexperienced teachers to \$1,000 with a graduated increase on the basis of experience.
10. That the normal age of retirement be 60 years for teachers of 30 years service and 65 for teachers of 25 years service, with a sliding scale for the intervening years, 60-65.
11. That service of any teacher who has joined the auxiliary services or been stationed in a combat area be rated as teaching service.
12. That special consideration be given to teachers where Section 27 of The Teachers' Superannuation Act might affect the ability to superannuate at the normal age of retirement of older teachers who have been engaged in war service which does not qualify as teaching service.
13. That The Superannuation Act be amended to allow any teacher to transfer the amount of his credit in the annuity account to the superannuation fund in any province without any forfeiture.
14. That The Superannuation Act be amended to authorize School Boards to refrain from deducting 4 per cent. contributions to the fund from substitute teachers.
15. That there should be no second forfeiture of funds by teachers who have re-entered the profession.
16. That a substantial increase in service pensions should be made.
17. That Section 45 of The Superannuation Act be amended to replace the period of unemployment of twenty years or more stipulated therein by a more reasonable length of time.

Larger Administrative Unit

18. That the Department of Education make a careful study of the problem of the larger administrative unit.
19. That the Government establish two or three experimental units to ascertain the potentialities of such units.

20. That the committee recommended to investigate municipal units be commissioned to consider the practical possibility of superimposing the educational unit on the recommended municipal unit.

Technical and Vocational Schools

21. The establishment of two or three agricultural schools equipped with dormitories and college farms in the immediate post-war period.
22. That a committee representing the Department of Agriculture, the College of Agriculture, the Department of Education, the Rural Municipal Association and the Town Planning Commission make a complete survey to determine the location and means of supervision for the recommended agricultural schools.
23. That the Department of Education add a thoroughly trained technical man to its staff to direct technical training in the province.
24. That the Government appoint a committee of representatives from the University of Saskatchewan, the Engineering Society of Saskatchewan, the Department of Education, and the existing technical schools to investigate the type of training required for modern industry, the training provided by present technical schools, and the amount of change needed to make technical training useful in satisfying technical requirements. It is suggested that junior engineering schools may be required.
25. That the Provincial Government investigate Indian Schools and make representations to the Federal Government for reform of the prevailing conditions.

University

26. The construction of an Arts and Science building, a Medical College and Hospital, a Library, and a School of Agriculture as well as extension of the geology and ceramic departments.
27. The turning over of any temporary buildings now used by the armed forces to the University immediately on the cessation of hostilities.
28. That the Government provide funds in sufficient quantity to enable the University to absorb any returned men and women who wish to attend University.
29. The adoption of a scholarship and interest-free loan system to promote equal educational opportunities for all.

Libraries

30. That a committee be established to investigate library services in other provinces, and to formulate recommendations regarding the reform of libraries in this Province.
31. That a class in elementary library methods be instituted at the University of Saskatchewan Summer School and the Saskatchewan Normal Schools to train teacher-librarians so that they may efficiently serve in the book depots established in rural areas.

Provision for Exceptional Children

32. The extension of special classes for gifted and subnormal children.
33. Sight-saving classes, making use of special equipment be established in the larger urban centres.
34. That more teachers for the blind be trained.
35. That talking-book machines for the blind be acquired.
36. That special training facilities be provided for blind returned men.

37. That the prairie provinces co-operate to operate a special school for the education of crippled children.

Miscellaneous

38. Special training for leaders of adult education groups should be started.
39. Local school boards and the Department of Education should co-operate in schemes of adult education.
40. That special classes of interest to women be provided.
41. That school buildings should be available for adult education.
42. That an extension library be instituted at the University.
43. The addition of the following staff to the University Department of Women's Work—an assistant director, a nutritionist, a handicrafts specialist, and a recreation specialist.
44. The reconstruction of the Educational Council on a basis of interest and ability rather than on the present basis.

PART XIV.

REHABILITATION OF SERVICE
PERSONNEL

General Principles

Re-establishment of men and women of the armed forces into the economic, social and political life of the country must be a cardinal principle of any reconstruction policies of government and private enterprise during the period of transition immediately following the war. The primary aim of such policies must be to provide opportunities for peace-time employment with a minimum of delay for all who are ready, able and willing to work. The matter of gainful employment must take precedence over all other questions, including those relating to social security, since the latter will depend on the extent to which the economy of the country is geared to full employment or otherwise. It is recognized of course that their rehabilitation must proceed concurrently with the re-establishment of those engaged solely in war-time industrial activity, and that it is inseparably associated with the general problem of reconstruction since the permanent employment of veterans will depend, in large degree, upon full employment.

It is of vital importance therefore that the Unemployment Insurance Commission should concentrate on the development of its present employment service to a high degree of efficiency in order that it may be in a position, when general demobilization takes place, to assume full responsibility for employment. Similarly, the machinery of National Selective Service should be developed and maintained throughout the transition period, since it will be no less essential then than now, that every man be quickly and easily brought into contact with a job for which he is qualified.

This problem of re-establishment will impinge more harshly on the large body of young men and women now in the fighting services—over 70,000 of them from Saskatchewan—than on any other groups or elements in our midst. The great majority of these young citizens prior to enlistment, had either been denied the opportunity of establishing themselves in the economic life of the country or of acquiring any skill, vocation or profession

because of prevailing conditions, or had just left school or college and thus interrupted their education and preparation for their life work.

These young men particularly will, in large measure, have been divorced from normal social contacts and amenities over a period of years, and will be wholly unfamiliar with educational, industrial and commercial developments in the country; they will have been living under conditions of strictest regimentation; they will have emerged from a condition of immaturity on enlistment to one of full-grown manhood; and they will have undergone experiences bound to leave an imprint on their future lives. Their establishment in the economic, social and political life of the country will present immense difficulties and will call for a high degree of tolerance and goodwill on the part of everyone, and a determination to recognize in practical ways the sacrificial contribution they have made to the maintenance of our country's integrity and our democratic way of life.

In any realistic appreciation of conditions following the war, and pending the conversion of industry from war-time to peace-time production and the general inauguration of programmes of reconstruction, the stark fact must be faced that many thousands of these young ex-service men and women may find themselves wallowing in a sea of uncertainty and disillusionment, overwhelmed by a sense of frustration and a feeling of bitterness that the service they rendered, freely and gladly, to their country and fellowmen should call for no special recognition. They will demand and should receive, no less than the **opportunity** to establish and rehabilitate themselves in a manner and to a degree that will enable them at the earliest moment following their demobilization to maintain themselves decently without dependence on governmental or other benefits or assistance.

It should be a fundamental principle in any plan of re-establishment into civil life of personnel discharged from the services that, as far as possible, no member of the armed forces should be prejudiced in any way by reason of having enlisted; and

adequate steps should be taken to ensure that those who volunteered for service should in no way be penalized on their return to civil life but should be assured of that place therein which it might reasonably be assumed they would have obtained had they not enlisted.

The salient problem will be to fit the Veteran into the general programme of reconstruction. It should be emphasized that temporary employment on works projects is not rehabilitation, and that the primary purpose should be so to place each Veteran, at the earliest possible date after discharge, that given normal conditions he will have the opportunity of permanently establishing himself as a member of the community.

The primary responsibility for rehabilitation is, of course, on the Federal Government, which must provide the necessary measures to permit of the rapid establishment of the Veteran; but no central authority can ever secure complete success without the co-operation of every local governing body and community. Reconstruction in its wider implications can never be adequately effective if we have a disheartened and dissatisfied Veteran body in our midst, and this cannot be avoided by any system of mass rehabilitation. It is a human problem of great complexity and can be solved only by human agencies. The Province is better fitted to co-ordinate and direct such agencies than is the Federal Government; and, furthermore, the Province has a direct interest in ensuring that our men and women of the services remain here. Therefore, it should make special provision to ensure that in this Province every advantage is taken of all measures for rehabilitation of Veterans and every resource is made available for their permanent re-establishment. The public however must be aroused to the fact that rehabilitation cannot be achieved by the mere spending of money; nor can the responsibility be regarded solely as a Federal one. Every organization and individual has a distinct responsibility.

The following general principles would seem fundamental to any measures devised for the adequate and effective re-establishment of Veterans:

1. To eliminate as far as possible the handicap of service, the State must see that every man and woman passes on discharge to permanent employment within his or her capacity at the earliest possible date.

2. To ensure such employment effective measures must be taken to overcome the handicap of time lost on service by making provision whereby every man and woman is adequately equipped by training, where he or she is willing to be trained and

mentally and physically qualified for training, in vocations which under normal conditions will afford permanent employment.

3. That to compensate for loss of opportunity and the sacrifice of years of training in civilian occupation the Veteran must in all cases have preference in employment.

4. That so far as the individual is willing to avail himself of the privilege, ample opportunity should be provided for completion of interrupted education.

5. That pension is not income and therefore every disabled Veteran possessing mental and physical powers capable of utilization must be retrained if he desires, so as to fit him for useful and remunerative employment.

6. That no man or woman in the service should be turned adrift without adequate provision for maintenance until qualified for and offered employment within his or her capability.

7. That special attention must be given to vocational training of disabled Veterans.

8. That where those charged with the administration of vocational training certify that a man is by reason of disability incapable of any employment, he should be given such additional allowance as, having regard to his marital and family status, will enable him to live and bring up his family in reasonable comfort. The principle is already established in the provision of a helplessness allowance under the Pension Act. It would merely require some extension.

9. That consideration be given to the special problems of rehabilitation of women members of the forces, and that machinery for the purpose be immediately instituted.

10. That the Federal Government evolve a housing policy which will enable returned men to acquire an urban home on conditions similar to those under which a Veteran may acquire a farm.

11. That the final success of any scheme or schemes will depend on the attitude of the men and women affected.

12. That no scheme of rehabilitation will ever be effective and no Government can make it effective without the complete co-operation of every element in the community.

13. That the organization of volunteer Citizens' Committees in all communities be encouraged and developed to assist in all practical ways in the establishment within their communities of men and women returning from service.

Application of Principles

Recognition of the peculiar and special position of men and women in the armed forces in relation to their future rehabilitation has already been given by government. This may be found in part in the Post-Discharge Re-establishment Order (P.C. 7633), Order P.C. 91 dealing with hospitalization treatment and benefits, the Canadian Pension Act, and other related statutes, the salient provisions of which may be enumerated:

1. Clothing Allowance: A clothing allowance of \$65.00 is provided each discharged person at the time of discharge.

2. Rehabilitation Grant: A rehabilitation grant of thirty days' pay of rank, with allowances for dependents, is given discharged members of the forces with six months' service or over.

3. Transportation Home: Transportation with travelling expenses is provided to all discharged persons to the point of enlistment, the place of bona fide residence, or any other point in Canada which can be reached without additional expenditure.

4. Hospitalization: Free treatment, with allowances for dependents, is available at all times in Departmental Hospitals, for conditions related to service, and free hospital treatment, with one or two exceptions, for conditions not related to service, arising within twelve months from the date of discharge.

If hospitalization is continuous from date of discharge, allowances are the pay and allowances of rank up to that of Lieutenant. If not continuous and not related to service, allowances are those available under the Post-Discharge Re-establishment Order (P.C. 7633), namely: \$35.00 per month for a single man with no dependents, \$70.00 per month for a married man with children's allowances equal to active service allowances. Hospital allowances do not exhaust training allowances or the period of benefit for training.

5. Reinstatement in Pre-Enlistment Employment: Employers are required by statute to reinstate those who left their employ to enlist, under conditions not less favourable than those which would have obtained had enlistment not taken place. Reasonable safeguards are provided to avoid abuses.

6. Protection Under the Unemployment Insurance Act: Discharged persons who enter insurable employment and complete fifteen weeks in any twelve-month period, are entitled to be credited with the time they spent in the forces since July 1st, 1941, the date on which the Unemployment

Insurance Act became effective. The Department of Pensions pays the contributions for employer and employee.

7. Pensions: Any disability, arising or aggravated during service, is pensionable if the applicant saw service in a theatre of actual war. Any disability, due to service or aggravated by service, is pensionable regardless of where the applicant served.

8. Out-of-Work Benefits: Benefits at the rate of \$50.00 per month for a single man and \$70.00 per month for a married man, together with dependents' allowances, may be paid to those capable of employment for whom no work is available, for a period equal to period of service, with a maximum of twelve months. Right to such assistance ceases eighteen months after discharge but that limit is extended by the time the dischargee was on strength of a hospital or health institution and/or was in receipt of a grant for being temporarily incapacitated.

9. Vocational Training: Comprehensive provisions for vocational training are available:

(a) By correspondence while in hospital, if medical opinion is favourable. Costs of such training do not reduce other benefits.

(b) By correspondence—for employed discharged persons if necessary to their rehabilitation and related to the occupation in which they are employed.

(c) In trade schools or business colleges, either Government or private, with free tuition and living allowances.

(d) Apprenticeship or training on the job—provides a wide variety of training not otherwise possible. Departmental allowances and pay are combined, the employer accepting greater responsibility month by month in accordance with a pre-arranged schedule.

Training is available within 12 months after end of war or discharge, whichever is the later, exclusive of time spent in the hospital or incapacitated.

Training may be given for a period equal to a man's service up to 52 weeks, but longer if necessary, when service was longer.

Ceiling of monthly income during training ranges from \$60.00 to single and \$80.00 to married non-pensioners, up to \$105.00 to single and \$130.00 to married 100 per cent. pensioners. Children's allowances are additional.

It must be borne in mind that during their service, members of the armed forces in the present war receive training in trades and skilled employments on a scale

never before known, due to the highly mechanized form of modern warfare. One result of this training will be that many young men and women will have acquired a very useful and complete training in many trades and skills and will not have to undergo the period of apprenticeship otherwise necessary.

10. Grants While Awaiting Returns from Farm or Business: Benefits, similar to Out-of-Work benefits, may be paid those engaged in farming or other business on their own account while awaiting returns from their enterprise.

11. Temporarily Incapacitated: Benefits may be paid discharged persons temporarily incapacitated from working.

12. Education Benefits: Maintenance benefits of \$60.00 per month for single and \$80.00 per month for married men plus tuition, student and athletic fees may be paid those resuming education interrupted by enlistment. Entitlement is for period of service, less other grants received, but can be extended if progress and achievements are outstanding.

13. Post-Graduate Courses: May be given in approved cases with maintenance and fees.

14. Training outside Canada: Can be granted in special cases, both vocational and educational, if, in the opinion of the Minister, it is deemed advisable.

15. Veterans' Land Act: Subject to reasonable conditions this Act provides for loans up to \$6,000.00, maximum for land and improvements being \$4,800.00 on which 10 per cent. deposit is required, and maximum for stock and equipment is \$1,200.00 with no deposit. Interest rate $3\frac{1}{2}$ per cent. Three main types of assistance provide for:

- (a) Full-time farming for qualified farmers;
- (b) Small holdings coupled with wide range of employment;
- (c) Small holdings coupled with commercial fishing.

One third cost of land less deposit, and whole cost of chattels is written off on fulfilment of contract for a given period.

16. Veterans' Welfare Division: A Welfare Division of the Department of Pensions and National Health has Welfare Officers stationed at main centres throughout the Dominion to assist former members of the forces in becoming re-established and advise them on individual problems and legislation affecting them.

Special service is given all men in hospital, particularly seriously disabled cases,

by Personal Services Welfare Officers. It is their responsibility to start men training in hospital, if such is indicated, to carry that training through after discharge from hospital, and have jobs ready when the training is finished.

17. Citizens' Committees: Citizens' Committees have been established in many centres in the Dominion to co-operate with Welfare Officers in re-establishment problems.

18. Canadian Legion, B.E.S.L.: The Legion, with over 1,200 branches, has placed its entire resources at the service of the Government to assist in rehabilitation. Each branch has its own rehabilitation committee to welcome men and help them in their return to civil life.

The foregoing are some of the measures in effect to assist men and women discharged from the forces in their rehabilitation, and are designed to provide social security and an opportunity to acquire a trade or complete education.

These are reasonably generous benefits and if we could be assured that when hostilities cease industry would be maintained at its present high employment level or would resume it after a comparatively short transitional period, there would be little cause for concern.

It is considered, however, that immediate consideration should be given by the Federal Government to:

(a) An increase in some of the monetary benefits;

(b) The earliest possible inauguration, in conjunction with the Province, of adequately equipped and competently staffed vocational training centres;

(c) The practical application of the principle that in the matter of employment opportunities no prejudice should accrue to the Veteran because of his service.

1. Clothing Allowance: This allowance is generally recognized as inadequate to enable a man or woman to equip himself or herself with essential garments, and should be increased on the following basis; (a) up to six months' service, \$65.00; (b) up to one year's service, \$100.00; (c) more than one year's service, \$125.00.

2. Rehabilitation Grant: It is the considered opinion of the Council that this grant is wholly inadequate for the purpose intended and its title is altogether a misnomer. Rather it would seem to accentuate the debilitation of the recipient in an economic sense than to assist his actual rehabilitation. The Council urges that this grant be determined by length of service and suggests that it be on the basis of one month's pay of rank, with service allow-

ances for dependents, for each completed period of six months active service, with proportionate grant for any incomplete period: and in addition that lump sum gratuities be paid on the basis of say \$300 to those who had been engaged in a theatre of actual war, and \$150.00 to others.

3. Hospitalization: It is suggested that benefits of former Class 18 treatment, now Class 5B, available to Veterans of the First Great War who saw meritorious service and are unable from their own resources to provide hospitalization for any remedial condition, be extended to members of the armed forces in the present war under similar conditions and circumstances once the hospitalization benefits under P.C. 7633 supra are exhausted.

It is further suggested that when undergoing out-patient treatment the incapacitated Veteran should receive the same allowances as when actually hospitalized.

4. Dependents' Emergency Grants: While grants made by Dependents' Boards of Trustees operating regionally throughout the Dominion to assist dependents of serving men in meeting emergent conditions form no part of the rehabilitation measure before described, nevertheless it is the opinion of the Council that they should be made available in cases where the Veteran has been discharged to the Department of Pensions and National Health and is undergoing hospitalization, and in cases where a man is reported missing, pending a declaration of presumption of death or his being ascertained to be a prisoner of war.

5. Pensions and Insurance Principle: The Government of Canada pledged, at the outbreak of war, the benefits of the "Insurance Principle", to all who enlisted for active service, whether they served in Canada or abroad. In May, 1940, this pledge was abandoned by an amendment to the Pension Act in respect to those whose service was confined to Canada, except where disability or death arose directly out of or was occasioned by service. This has caused grave dissatisfaction and considerable hardship in many cases. It has been amply demonstrated, after four years, that it is virtually impossible to prove disability or death from disease resulting from performing military duty, such as is now required before pension is awarded as of right.

In the last war, only 4 per cent. of those whose service was confined to Canada qualified for disability pensions. It is unlikely that this percentage would be any greater in this war.

The award of compassionate pensions to those who incurred serious disabilities in Canada, based on their need, has already cost a considerable amount of money, and has created dissatisfaction. It will be a continual source of trouble after the war.

To restore the "Insurance Principle" would not cost a great deal and would increase public confidence in pension administration.

The Council considers that its reinstatement in the Pension Act would be wholly justified as a rehabilitation measure and urges its restoration to those enlisted for active service.

6. Vocational Training: Ample facilities for such training are imperative including suitable and properly qualified personnel for every phase and branch of this work. Training of personnel is in itself a problem of immediate urgency. The Council urges strongly that this training programme should be developed now to the point where it will be capable of handling every man and woman desiring to undergo training in any chosen vocation.

7. Preference in Employment: In order to reduce to a minimum the prejudicial effects on the Veteran of his years of service, where employment opportunities are concerned, and to enable him the more securely to re-establish himself, the Council believes that suitable provision should be made for a general, over-all preference in employment for all honourably discharged ex-service men and women in private enterprise and under Federal, provincial and municipal governments throughout the country, provided always the individual is qualified to fill the position.

It is contended that when these men and women seek employment, especially those who have served overseas or been out of civilian life for a lengthy period, they should be given special consideration by all employers, both public and private.

The argument for a preference for those serving overseas would seem unanswerable. They will be among the last to return to civilian life after a million or more munition workers have been discharged from employment and a considerable proportion of the armed forces serving in Canada have been demobilized.

While employers generally need not be reminded of their individual and collective debt to those who have risked their lives in their country's service, nevertheless some definite method should be laid down to prevent any haphazard application of a preference which almost all employers will wish to extend.

There are, of course, many factors involved in determining how any preference should be applied. Whatever method is adopted, it will require the good will of all concerned and perhaps sacrifices on the part of some. It is recognized that

every employer will desire to obtain or retain employees with exceptional skill, but it is felt that conflicts between the principle of preference and the principle of merit will not frequently occur because, even if all ex-service men are absorbed into industry, there should still be ample opportunities for others if the country's hopes for full employment are fulfilled.

The ultimate objective of course is to secure employment for all discharged personnel as soon as possible after demobilization and to maintain them therein. Three methods have been discussed.

The first is to require Government Employment Offices throughout the country to furnish employers with names of qualified ex-service personnel available whenever a call for help is made. This would be supplemented by the efforts of citizens' committees which would endeavour to persuade employers to engage ex-service men and women in preference to others. To achieve this the simple expedient would be an amendment to the National Selective Service (Civilian) Regulations (P.C. 246) authorizing a National Selective Service Officer to give preference in placement to all Veterans, male and female.

The second is to establish a statutory quota requiring every employer of labour to maintain in employment a certain percentage of ex-service men.

A third is the setting up of a Placement Service for Veterans separate from that provided by the Employment Offices of the Unemployment Insurance Commission — perhaps under the Welfare Division of the Department of Pensions.

The first is strongly recommended by the Council as the most desirable and practicable means of extending preference in employment to Veterans and giving recognition to their lost years of opportunity while serving their country.

In regard to those members of the forces who were employed prior to their enlistment, the Council considers that the provisions of the Dominion Statute "the Reinstatement in Civil Employment Act" cap. 31 of 1942 should be adequate for their protection provided they are fully enforced. This Act recognizes the right of reinstatement and the benefits of all seniority privileges.

With respect to Veterans not employed at time of enlistment, those who had no opportunity of acquiring a skill, or those desiring to enter new employment on their return, it is urged that no agreement should be entered into between employers and employees establishing seniority rights which would prejudice the individual Veteran in obtaining employment.

While the impetus given the Labour Movement in this country by our prodigious war effort, with largely increased unionization enabling organized Labour to take its rightful place in the industrial life of the country, to stabilize and regulate the relations between Management and Labour and to enhance the standing and protect the rights of its members, will have a profound and beneficent effect on the economic life of our country, nevertheless there are certain trends or features of the movement which if persisted in, may in large measure defeat the quite laudable objects desired and alienate the sympathy of large elements of the people, especially of men and women now in the services.

The most disturbing of such trends, from the point of view of the men in the forces, is the establishment of seniority where collective agreements exist. Such agreements invariably stipulate that all layoffs and re-engagements must be on a strictly seniority basis. Consequently, the opportunity of the Veteran being effectively re-established is materially lessened. While the man unable to enter or exempted from active service was accumulating seniority the Veteran was serving his country. In the event of a layoff, the latter is first to go and last to be re-engaged. This will create an impossible situation and an attitude of mind which will bode no good either for the country generally or for Labour in particular. Service men will remain under a heavy handicap in the matter of employment; they will feel penalized as a result of their service to the country.

It is recognized of course that seniority privileges or rights are basic to collective agreements but since they are recognized and demanded by Labour, even to the exclusion of individual capacity or ability for the job, they should only be enjoyed or exercised without detriment to the general well-being of Labour as a whole. Under normal peace-time conditions, and given an economy that will ensure full employment, such privileges may work little hardship. But on the cessation of hostilities, we shall be confronted by a situation where, in addition to a million munitions workers seeking replacement in industry, we shall have three quarters of a million young men and women from the armed forces seeking to establish themselves and demanding that—the best years of their lives having been freely given in the service of their country—they should not be discriminated against because of such service.

While both public and private business in Canada must give full recognition to the fact in greater degree than hitherto, that Labour has a most vital stake in our national economy, nevertheless Labour itself has no less a countervailing responsi-

bility to help attain and maintain full employment at wage levels both fair and reasonable.

As an equitable measure it is suggested that something in the nature of a right to accumulation of seniority equivalent to length of active service should be made mandatory in cases of discharged Veterans entering employment where promotions, layoffs, etc., depend on seniority. This might be done by granting double credit for each month's employment till he had received seniority credit for active service in addition to his actual employment. In this way a Veteran with four years service would acquire eight years seniority after four years employment and be on a parity with his fellow worker who entered that employment the day he enlisted. A Veteran with one year's active service would be employed one year before acquiring equal seniority with his civilian counterpart who entered civil employment when he entered military service. In this way, the man who stayed at home in safe employment would not be supplanted by the Veteran who fought to keep it safe but on the other hand, the Veteran could, after a reasonable period of employment, attain a position of equality with his civilian co-worker. This may require some changes in seniority regulations, in labour unions and industry generally, but this war has wiped out whole industries in some countries, and it would seem a reasonable thing on the part of Labour and Industry to recognize the part played by our armed forces in this world shattering conflict by assuring these forces a welcome and security in the ranks of Labour and Industry at least equal to that of those who remained at home.

By a statesmanlike co-operative and sympathetic approach to the problem, Labour has the opportunity of making an inestimable contribution to the country's post-war reconstruction programme which would add immeasurably to its growing stature and prestige. The majority of the Council feels that it would be a wholesome gesture on the part of Management and Organized Labour, if this recognition of service were extended to the Veteran in practical terms.

Furthermore, the Council strongly urges that a conference be held between Dominion and Provincial Departments of Labour, Organized Labour and Industry, together with the Canadian Legion of the B.E.S.L. as generally representative of the Veteran body in the Dominion and most intimately conversant with this problem of employment as affecting ex-service men and women.

Since the voluntary co-operation of Management in making available opportunities for the establishment in Industry

of discharged personnel is greatly to be preferred to anything in the nature of statutory compulsion, it is most desirable that no agreements between employers and employees should be entered into which would have the effect of hindering any employer willing to extend employment to returned men or women.

8. Demobilization: In order to mitigate the impact of general demobilization on the economic life of the country it is suggested that demobilization should be regulated and if necessary retarded to permit of men and women being easily and readily absorbed into employment on discharge; and that while awaiting discharge every possible effort be made by suitable vocational training carefully directed to industrial requirements, to equip these men and women the better to take their rightful place in the general scheme of things. Concurrently therewith, the present education services, both academic and technical, initiated at the request of the Federal Government by the Canadian Legion should be maintained not only for the benefit of those awaiting discharge but also of those undergoing apprenticeship training on the job, or wishing to equip themselves the better to establish themselves.

One can readily foresee difficulties in any plan of retarded demobilization since most men and women will wish above all else to doff their uniforms and return to the society of their homes and friends at the earliest moment after the cessation of hostilities, but this quite understandable feeling and attitude may, in part at least, be overcome by a realistic and understanding approach to the problem among these young people by those best fitted for the purpose—not necessarily Officers or the traditional type of Departmental official but preferably the proper type of men and women drawn from the ranks themselves. Key men should be demobilized at the earliest opportunity so as to provide for the rapid reconversion of industry and the expansion and development of our educational institutions.

9. Handicapped Veterans: In regard to handicapped Veterans, special training should be provided to equip them for specific types of work and the practical assistance of employers enlisted to ensure their placement in industrial and other activities where their physical disabilities would not in any respect be detrimental to the efficient operation of the plant, office or business. In cases of special or severe disablement, consideration should be given to the creation by the Government of sheltered employment where such men could be trained to produce marketable goods in the making or processing of which they would derive a satisfaction and pleasure that would help materially to maintain their morale and interest in life. Above

all else such handicapped Veterans must never be allowed to become the "forgotten men" of Canada.

10. Great War Veterans: There will be a further group of Veterans presenting a quite different and no less difficult problem. These are the Veterans of the First Great War, many thousands of whom are either in the Active Army or the Veterans' Guard of Canada. These men for the most part will be in their middle fifties and many of the benefits under the Post-Discharge Re-establishment Order, such as Educational, Vocational Training, etc., will not be available to them. Their weight of years will bear heavily against them in the labour market. Special consideration must be given such Veterans whether by their establishment in protected industries, the setting aside for them of preferred positions, their re-establishment in subsidized communities, or the provision of a special form of social security. This latter might be done under the War Veterans' Allowance Act which could be amended to make them all eligible whether or not they had served in an actual theatre of war.

The Council feels that the enthusiasm of the moment to make adequate provision for the young Veteran of the present war may militate against the older Veteran and the necessity for special provision being made for him. The Council strongly recommends therefore the most generous extension of the War Veteran's Allowances Act as being perhaps the most practicable method of insuring a reasonably adequate competence for such Veterans in their old age.

11. Veterans' Homes: The Council recognizes the necessity of early provision being made for the establishment of Veterans' Homes wherein aging and handicapped Veterans, particularly those without dependents, may obtain home comforts and essential care and treatment. For this purpose it seems desirable that the administrative personnel of such homes should be Veterans who would have a greater sympathetic understanding of those under their care.

12. Land Settlement: In the realm of agriculture, special provision has been made for Veterans to become rehabilitated on the land. The condition of the industry will be an important factor in the success of those who undertake farming under the Veterans' Land Act. In view of the great trafficking in farm lands going on at the present time by and between those specially privileged by exemption or postponement from military service as essential producers, every effort should be made now by the Soldiers' Settlement Board to acquire suitable lands for Veterans before present demands create inflated values. Settlement on poor land must be avoided so that there may be no recurrence of the

experiences under the Soldier Settlement Act. Further, no settlement should be permitted without development of an adequate water supply.

The possibilities of Veterans acquiring improved properties should be explored. There are many owners of farm lands who through age or illness are unable to continue operations and are carrying on under difficulties during these war years.

It is suggested that in the clearing of land for settlement use be made of the tremendous accumulation of construction machinery assembled during the war for the armed forces.

It is further suggested that in the opening up for settlement of lands in the northern parts of the province found from surveys to be suitable for agricultural purposes, prior claim to settlement under the Act should be given to members of the armed forces, subject always to the provision of adequate social services.

An examination should also be made into the possibilities of the development of co-operative effort among farm communities in respect to both purchase and use of farm machinery and marketing.

It is believed that the actual process of settlement should not be unduly precipitate but on a gradual basis spread over a period of years thus ensuring orderly acquisition of suitable lands at reasonable prices and the avoidance of misfits among those availing themselves of the provisions of the Act. The actual volume of settlement in any year should be rationally controlled, if we are to get the best permanent results from this scheme.

In any event, the rate at which Veterans can be placed on land will depend to some degree upon the possibility of obtaining essential machinery, stock and construction materials. The necessary re-establishment of Europe on the termination of war will draw heavily upon our production of farm implements and other agricultural requirements. Preparation to meet the need should begin as soon as possible.

This gradual settlement calls for some adjustment in existing rehabilitation benefits not presently available beyond a period of 18 months following discharge. It is suggested that the right of ex-service men to assistance during time required for re-establishment in a new venture should remain open to those seeking establishment under the Act and commence at the date of their actual establishment on the land.

Where virgin or undeveloped land is acquired by the Government for settlement, the services and labour of potential

settlers should be utilized in preparing it for cultivation before any attempt is made to settle Veterans on it.

It is further suggested that the Act be amended to make provision, in the case of qualified and suitable applicants unable to provide the 10 per cent. deposit with their application, for rental agreements for a period of say three years with option at end of such period of making application for settlement under the Act. Such lease agreement would not only enable the Veteran to acquire the necessary cash deposit, but no less important would determine in a very practical way his suitability or otherwise for the benefits of the Statute.

The Council also suggests that if general settlement under the Act is not to take place until after the cessation of hostilities when demobilization is largely complete, in order that potential settlers now in the services be not prejudiced in acquiring suitable or desirable holdings, present applicants for settlement be dealt with immediately and advised at once of their eligibility or otherwise, and that pending putting the scheme into full effect they be placed on farms or given necessary agricultural training, the better to equip them to take up settlement.

13. Education of Soldiers' Dependent Children: The Provincial Government, under the Education of Soldiers' Dependent Children Act, cap. 172, R.S.S. 1940, has for many years given financial assistance towards the education of children of deceased ex-service men or pensioners of the last Great War. While the Act provides for grants of \$240.00 per annum per child, it has not been possible for ten or more years now, because of stringent financial conditions, to appropriate moneys sufficient for the purpose, and grants now payable range from \$1.50 to \$9.50 monthly, based on the income of the family and the number of children assisted. It is suggested that the Act be extended to cover the present war, and that extension of these benefits to the non-pensioner be given every consideration; also, that so soon as financial conditions permit, or when adjustment is made in the fiscal relationship of the Federal Government and the provinces, provision be made for an annual appropriation sufficient to enable the full grants to be paid.

14. Welfare and Citizens' Committees: The success of any rehabilitation measures as affecting Veterans will depend largely on the attitude of mind of the general body of citizens. Welfare Officers of that division of the Department of Pensions and National Health as presently constituted cannot hope to do much more than bring to the attention of each man and woman at the time of discharge the benefits and rights available under the Post-Discharge Rehabilitation

Order. Since this division of the Department is an integral part of the machinery of reconstruction, it is essential that it be developed, expanded and staffed by men and women with a wide knowledge and sympathetic understanding of human nature who can counsel and advise on the individual problems presenting themselves. The staff of this division must be more than mere automatons to acquaint the man and woman on discharge with the benefits available to him or her. This may necessitate the appointment of specially trained personnel for the purpose and it would seem urgent that such personnel be now obtained.

In conjunction with the Welfare Officers the Citizens' Committees previously referred to can perform a most useful service, indeed it is felt that the success of any scheme of rehabilitation will depend largely on the effective functioning of such committees. There should be organized in every Community a Citizens' Committee dedicated to the task of assisting in every way possible the re-establishment of men and women on their return, by co-operation with the Welfare Division of the Department of Pensions. After the strains and stresses of war are passed, and the emotional enthusiasms have subsided, there will follow a re-action, a "let-down" feeling on the part of the people. They will be concerned only with their own personal pursuits, their own selfish interests, and too quickly will they forget the debt they owe the returning men and women. This feeling, this attitude must not be allowed to dominate the thoughts of the people and it can be avoided in large measure by having in every community a representative group of citizens prepared to devote their time, efforts and talents to re-establishing the young men and women into the economic and social life of the community on their discharge.

To co-ordinate the activities of such committees, it is recommended that a Division or Branch of the Department of Reconstruction be created, charged with all phases of rehabilitation and that an Advisory Committee on Rehabilitation be appointed, the composition and duties of which might be as follows:

(a) **Composition**

- Chairman
- One member representing Veterans of last War.
- One member representing Veterans of present War.
- One woman prominent in welfare work.
- One man experienced in welfare work.
- A permanent full-time secretary paid by the Government.

(b) Duties

(1) To co-operate with the Department of Pensions and National Health in ensuring the maximum utilization of Federal benefits for rehabilitation of Veterans.

(2) To organize committees in every community to promote the welfare of discharged men and women.

(3) To co-ordinate and direct the activities of such committees and to ensure their efficiency.

(4) To organize and carry out a programme of education that not only Veterans, but the public generally may know and understand the principles of rehabilitation and the measures available for this purpose.

(5) To administer Provincial schemes for the benefit of Veterans such as schemes for the education of Veterans' children.

(6) To ascertain opportunities for employment of Veterans and make such information available.

(7) To organize arrangements for welcome of returning Veterans and ensure that they have all proper advice and assistance.

(8) By utilization of all local committees to make a survey and determine the extent of employment available for returned men and women from time to time

(9) In co-operation with the Canadian Legion and other Veteran Organizations, to ensure that there are adequate facilities available for the prompt adjustment of individual grievances.

(10) To arrange with welfare agencies for the adjustment of marital and domestic problems, with some measure of free legal assistance.

(11) To assist the Director of Land Settlement in securing names of suitable farmers willing and able to give prospective settlers practical instruction in farming and to collect information as to suitable lands available for settlement.

(12) To co-operate with the Public Service Commissioner in securing employment of Veterans in the Public Service and promoting generally the principle of preference in employment to Veterans.

(13) To act as a Provincial clearing house for individual grievances and ensure that complainants are promptly put in touch with the agency by which such grievances can be adjusted.

(14) To administer an emergency fund to be raised by public subscription or by

Provincial or Federal grants, or by a combination of all or any of these sources, for the immediate relief of cases of distress for which no other fund is available.

(15) Generally to do all such things as in the course of events would seem desirable in order to ensure that every Veteran returning to the Province shall have full opportunity of re-establishment and every assistance possible therein.

15. Charity Control: The Council is of the opinion that as a matter of Government policy consideration should be given to some measure of control over Veteran charities, directed towards ensuring that all funds raised by public subscription for the alleviation of distress among Veterans are used solely and entirely for such purpose. It is suggested that all public appeals for such funds should be under the strict control of the proposed Rehabilitation Division of the Provincial Department of Reconstruction.

RECOMMENDATIONS

1. That the clothing allowance be increased. The Council suggests the following schedule: up to six months' service, \$65.00; up to one year's service, \$100.00 and more than one year's service, \$125.00.
2. That the Rehabilitation Grant be increased. The Council suggests that the amount be determined by length of service on the basis of one month's pay of rank, with service allowances for dependents, for each completed period of six-months active service, with a proportionate grant for any incomplete period; and in addition that lump sum gratuities be paid on the basis of \$300, to those who had been engaged in a theatre of actual war, and \$150 to others.
3. That the hospitalization benefits of Class 5B treatments (now available to Veterans of the First Great War) be extended to members of the armed forces in the present war once hospitalization benefits under P.C. 7633 are exhausted.
4. That Dependents' Emergency Grants be made available to dependents of veterans discharged to the Department of Pensions and National Health and undergoing hospitalization, and to dependents of men reported missing.
5. That the "Insurance Principle" be re-instated in the Pension Act.
6. That preference in employment be given to War Veterans. To achieve this the Council suggests that P.C. 246 be amended to authorize National Selective

- Service Officers to extend preference in placement to Veterans, male and female.
7. That the Reinstatement in Civil Employment Act, Ch. 31, 1942 (Dominion) be fully enforced.
 8. That no agreements be entered into between employers and employees prejudicing the opportunities of Veterans in obtaining employment.
 9. That in the case of discharged Veterans entering employment where relations between workers are based on seniority, the Veteran be given double seniority credit month by month for a period equal to his length of service, in order to put him on a basis of equality at the end of such period with co-workers who entered civil employment when he entered military service.
 10. That a conference representing Dominion and Provincial Departments of Labour, Organized Labour, Industry and the Canadian Legion B.E.S.L. be held to resolve problems relating to re-establishment of service personnel.
 11. That demobilization be regulated, to permit the ready absorption into employment of discharged men and women.
 12. That key men be demobilized at the earliest opportunity to provide for the rapid reconversion of industry and the expansion and development of educational institutions.
 13. That a vocational training programme be developed now, ready to function at the time of demobilization. The Council believes that while comprehensive provisions have been made for vocational training, facilities for such training, including suitable and properly qualified personnel, are not adequate to meet requirements.
 14. That training be provided for handicapped Veterans to equip them for special types of work, and that they be given assistance in securing employment.
 15. That special consideration be given to Veterans who also served in the First Great War. The Council specifically recommends the most generous extension of the War Veteran's Allowances Act as being the most practicable method of insuring a reasonably adequate competence for such Veterans in their old age.
 16. That early provision be made for the establishment of Veterans' Homes wherein aging and handicapped Veterans may obtain home comforts and essential care and treatment.
 17. That every effort be made to acquire suitable land for settlement under the Veterans' Land Act and that the possibilities of obtaining improved properties be fully explored.
 18. That the clearing of land for settlement be expedited by the use of military construction machinery when it becomes available.
 19. That prior claim to settlement on agricultural land in northern areas be granted to Veterans and that no settlement be permitted without development of adequate water supply and necessary social services.
 20. That the Veterans' Land Act be amended to provide for rental agreements with option to make application under the Act at the end of three years.
 21. That applicants be advised immediately of their eligibility or otherwise under the Act and that those declared eligible be placed on farms or given agricultural training.
 22. That the "Education of Soldiers' Dependent Children Act", Ch. 172, R.S.S. 1940, be studied with a view to possible extension of benefits.
 23. That a Division or Branch of the Department of Reconstruction be created and charged with all phases of rehabilitation.
 24. That an advisory Committee on Rehabilitation be appointed, with membership and duties as outlined in the text.

PART XV.

HOUSING

Housing Conditions

It is singular that war should ever bring anything of benefit to society. Nevertheless the stress and strain of war-time production have crowded our cities and brought into sharp focus a condition that formerly existed in the hazy background. Canada has become housing conscious and it is certain that as soon as materials are available work will be started to wipe out a back-log of housing needs that has been piling up for the past 15 years. This, according to the Dominion Committee on Reconstruction, is estimated to total 468,000 units; 320,000 units in urban centres, 125,000 units on farms—100,000 to replace obsolescent houses, 25,000 to provide separate units for families now sharing accommodation, and 23,000 units in the non-farm rural category.

The Committee on Housing of the Canadian Public Health Association has drafted regulations governing standards of good housing, to guide those preparing housing regulations or bylaws. According to these "Model Housing Regulations", a house may be termed unfit for human habitation if it has any of the following defects:

1. Overcrowding, after due notice for its abatement.
2. Disrepairs, defects or omissions which prevent or hinder the maintenance of the dwelling in a sanitary condition, or permit danger to life and limb. These may include:

(a) Structural defects in foundations, floors, stairs or any woodwork or opening, roof, plaster, etc.—any condition causing permanent dampness or permitting entrance of rain, underground water or emanations from the soil.

(b) Defective or leaky plumbing.

(c) Absence of proper flues to carry off smoke and gases of combustion from stoves and other heating appliances and proper means for storage of food, fuel and refuse.

(d) Absence of sink or similar fixture with running water if street served by public water system and absence of water closet accommodation if bordering on a street served by a public sewerage system.

(e) Absence of an adequate and potable water supply and proper means for sewage disposal, or privy accommodation for dwellings not covered by the preceding paragraph.

(f) Absence of a window in habitable rooms opening on a permanent open space.

(g) Cellar occupancy.

These regulations exist merely as a draft, but under Section 48 of the Public Health Act (Saskatchewan) those buildings "... unfit for human occupation through lack of repair, filthy keeping, want of sanitary plumbing, absence of plumbing, or any other defect or condition—shall be declared a nuisance and placarded as unsanitary and unfit for occupation."

What would be the effect of the strict enforcement of these regulations in Saskatchewan? In rural Saskatchewan, over 60 per cent. of homes contain four rooms or less, resulting in space per person of .84 rooms, while the usual standard accepted is one room per person. As for the regulations regarding repairs, 48 per cent. of the 122,758 farm dwellings are in need of external repair. Table I. shows the condition of farm dwellings in representative areas of Saskatchewan, as judged by poor foundations, faulty roofs, lack of paint, windows, etc.

TABLE I.

**TABLE SHOWING THE CONDITION OF FARM HOUSES IN
REPRESENTATIVE AREAS OF SASKATCHEWAN**

Area	Total No. Houses	Poor	Fair	Good
Representative Prairie Area.....	1,097	23.5%	70.4%	6.1%
Representative Park Area.....	616	31.6%	58.8%	9.6%
Representative Pioneer Area.....	998	56.5%	39.8%	3.7%

Totals are compiled from figures obtained in the subdivisions of these larger areas.

These data are the result of a survey of 19 areas of the province conducted by Economics Division, Marketing Service, Dominion Department of Agriculture, and Department of Farm Management, University of Saskatchewan.

"At least 50 per cent. of the houses in poor condition need to be replaced by more adequate and suitably constructed dwellings and the remaining fifty per cent. need at least about one-half of this replacement cost to put them into proper condition. Farm houses in fair repair would need about 10 to 20 per cent. of present value spent on repairs to put them into a satisfactory livable condition." This refers only to the condition of the house itself, there being no indication as to the state of the equipment. Thus, judged by the standards of the first two tests, much should be done by way of rebuilding and repairing.

The situation in urban Saskatchewan is only slightly better than in rural areas.

Most cities estimate there is some overcrowding. From a survey made by the

Medical Health Officer of the City of Regina in 1942 it was found there were 60,092 rooms for 57,153 people, or 1.052 rooms available per person. The survey showed several six or seven room houses occupied by families of two or three. There must, therefore, be several cases of large numbers crowded into insufficient space. In one sub-division with almost no rooming houses, 946 persons lived in 1,052 rooms in 227 houses. Rooms available per person averaged 1.101; but 613 of these 946 persons lived in 488 rooms in 116 houses with only .796 rooms per person. It is interesting to note that this latter group consisted principally of families on relief. Here is a clear need for low cost housing. In Saskatoon, overcrowding is evident in most parts of the City. Prince Albert reports a similar situation, North Battleford reports 30 per cent. of the population overcrowded. In small centres, cases of overcrowding are few, and often are the result of war-time emergency. Such is the case in Swift Current and Yorkton.

Urban dwellings in this province are not in as great need of repair as rural. Figures from the 1941 Census show:

Type of Community	Total No. Occupied Dwellings	Percentage of Dwellings Needing External Repairs
0 - 1,000	27,614	32
1,000 - 4,999	9,608	31
5,000 - 14,999	6,256	30
15,000 - 29,999	4,887	32
30,000 - plus	23,335	20
	<hr/> 71,700	<hr/> 28

Table II shows the number and percentage of dwellings in need of paint, repairs to windows, steps approaching the door—that is, in need of external repair. Those in poor condition are in many cases

buildings which under normal circumstances would be placarded or condemned, but are allowed to stand because of the shortage of accommodation.

TABLE II.
CONDITION OF BUILDINGS IN URBAN SASKATCHEWAN

Centre	Total Number Houses	Condition		Percentage		Number Needed and Cost
		A. Number in Need of External Repair	B. Number in Poor Condition	A.	B.	
Regina (rep. area) 1939	1420	361	90	25.4%	6.3%	500 yearly @ \$3,500
Saskatoon .....	.....	.....	.....	20%	.....	.....
North Battleford	1009 (approx.)	202	151	20%	15%	50 @ \$3,000
Swift Current .....	.....	.....	.....	10%	.....	300 in 5 years cost \$1,500,000
Yorkton	1029	257	51	25%	5%	25 per year for 4 years
Kamsack	533 (approx.)	187	53	35%	10%	10 @ \$3,000-\$4,000
Prince Albert	2619	591	190	22.56%	7.25%	500 total cost \$1,400,000
Battleford .....	.....	.....	.....	85%	25%	10 or 15 @ \$2,000
Wilkie .....	.....	.....	.....	.....	50%	12 @ \$1,000

These figures are derived from answers to a questionnaire sent out by the Council and estimates are those of officials in charge of such matters in various centres.

More data are available regarding sanitary conditions in these cities than in dispersed rural homes. Census figures provide a comparison between conditions in the two leading cities of Saskatchewan and the average for Canada.

TABLE III.

	Regina	Saskatoon	Average for Canada
Running Water	84.1*	75.6*	97.0
Bath or Shower:			
(a) Exclusive Use	63.5	57.8	74.6
(b) Shared	13.9	12.3	8.2
Flush Toilet:			
(a) Exclusive Use	70.5	63.7*	86.1
(b) Shared	14.2	12.1	9.1
Outside Privy	15.2	22.6*	4.5
Refrigeration:			
(a) Mechanical	28.9	22.0	32.7
(b) Ice	17.8	24.1	36.2
(c) Other .....	.5	.1	1.7
(d) None	52.8	53.8	29.4

* Indicates these are worst for Canadian cities of over 30,000 population.

A further table shows the number and percentage of houses without modern connections in centres not covered by the census.

TABLE IV.
TABLE SHOWING NUMBER AND PERCENTAGE
NON-MODERN HOUSES

City or Town	Total Number Buildings	Number Off Sewer and Water	Percentage Off Sewer and Water
North Battleford	1,009	535	53%
Swift Current	1,431	800	56%
Yorkton	1,029	451	43.82%
Kamsack	533	320	60%
Prince Albert	2,619	1,410	53.8%
Battleford		183	

Explanation of Poor Housing Conditions

Reasons for the conditions described are not obscure. For the past 15 years, the income of the majority of Saskatchewan residents was barely enough to live on. The speed at which prices fell was exceeded by the fall of incomes, and building was impossible. There are several contributing factors to the high cost of building a house, among them the high cost of land resulting from wasteful methods of land utilization. The lack of adequate town planning and building regulations in the early stages of city building, resulted in land sub-division in advance of demand with consequent extravagant use of land and waste in the cost of streets and city services. Speculative sale and resale of building lots has loaded them with excessive selling costs. The absence of system increases the operating costs of municipal government and increases the burden of real estate taxes, for each property owner must pay for the over-development of services. This speculative and wasteful land utilization, with its threat of deterioration in property values due to run-down adjoining neighbourhoods and nuisances; the emphasis on gadgets and style appeal, making a house subject to rapid obsolescence; and high pressure salesmanship, all increase the risk factor in urban mortgaging and raise the rate at which money will be lent. A further reason for high construction costs is the organization of the building industry, made up as it is, of various trades loosely co-ordinated, necessitating the buying of small lots of material at retail prices, and resulting in handicraft methods of production.

Costs in Saskatchewan are particularly high because lumber, cement, plumbing and heating facilities must be shipped in. It would greatly aid the local lumber industry if use were made of Saskatchewan

lumber. If producer gas is developed, there is a possibility of introducing annealing processes to allow the manufacture of plumbing fixtures here. This would reduce construction costs considerably, since to equip a house with standard sanitary facilities costs \$425, the highest in Canada.

There are brick plants in the province, but these had to close down during the depression because of a lack of markets for their products. According to Prof. W. G. Worcester of the Department of Ceramic Engineering, University of Saskatchewan, it was found in Denver, Colorado, that the difference in cost in construction of a frame and brick house was 1.86 percent of the cost of the house, in favour of the frame structure, though its depreciation was greater.

"While the above figures were all obtained at Denver, Colorado, some years ago, it may be stated that the relative prices would no doubt have compared very closely to estimates made in Saskatchewan at the same time. Today, lumber is higher than it was then, while on the other hand, the prices for brick and tile are practically the same. Hence the first cost of walls built of clay products today should compare equally as favorably or better today, than when the survey was made."

Ignorance of the relative costs, scarcity of bricklayers in comparison with the number of carpenters, and lack of advertising have been the chief reasons for the scant use of brick in building prairie homes. The cost of building a house in Regina with living room, dining space and kitchen, and two or three bedrooms with closets, and bathroom, has been placed at \$3,500, but possible only if materials were bought to build thirty units or more.

The Winnipeg City Council is building 16 houses to rent, with option of buying on a 20-25 year amortization plan. The plans approved are for two types of houses, one costing \$3,745 with no attic, but a full basement, the other costing \$4,035 with an unfinished attic as well as a full basement. Each house has the same floor plan 24' by 24', consisting of a kitchen, living room and two bedrooms on the ground floor. The houses are to be constructed by a lumber company, of prefabricated material with complete insulation. These figures give some idea of the cost of construction in the West.

The usual percentage allotted to rent is 20 per cent. of income. The economic rent on a \$3,500 house is approximately \$380.00 per year, according to a schedule prepared by the Housing Committee of the House of Commons (1935). To pay this amount of rent, an annual income of \$1,900 is required. Over 60 per cent. of the population of Canada earns less than \$1,500 a year, and two thirds of these earn less than \$1,200. The maximum rental payments they can make are \$300 and \$240 per year, or \$25.00 and \$20.00 per month. The monthly average rent paid in Regina and Saskatoon, and the facilities offered may be seen below:

	Regina	Saskatoon	Average for Canada
Rents per Month	\$28.00	\$23.00	\$26.00
With Running Water.....	84.1%	78.7%	97.3%
Exclusive Use of Flush Toilet.....	67.3%	62.5%	83.5%
Exclusive Use of Bath or Shower.....	59.4%	55.3%	70.4%

The conclusions drawn are that too large a percentage of income goes for rent in these cities, and that a good proportion of the population must be denying themselves other necessities for the sake of adequate housing accommodation.

Attempts at Improvement

There have been some efforts made to build homes using mass production methods, in an attempt to reduce costs. The method used by an American company is such that any architect's plans may be adapted to production. The walls, ceiling, floor and roof sections are built in a local prefabrication plant established by the company within 10 to 25 and at the most 200 miles from the site, to which they are trucked, and there placed on foundations of pre-cast concrete piers.

A Canadian company's variation of this provides a choice of architectural plans, and has the required lumber cut in correct lengths, the windows and doors prefitted, ready to ship by rail to the building lot. For most houses, only the framework is provided in the prices quoted, and the inner partitions, hardware, paint, varnish, insulation, cement, bricks, plumbing fixtures and electrical wiring are all extra. The prices quoted vary from a finished three room dwelling (without basement and bathroom) at \$371 to a five room home, with provision for a basement and bathroom at \$1,546. This latter price does not include the excavation and cement to finish the basement, which make up approximately 9.8 per cent. of the cost of a conventional home.

This is the type of demountable house put up by Wartime Housing Limited, a Crown Company operated under the Ministry of Munitions and Supply, for the purpose of providing temporary housing for workers in war factories. Some of these built at Moose Jaw, with some insulation were quite satisfactory, but they are temporary structures, and should be replaced by more permanent homes. It is doubtful whether these prefabricated homes would be satisfactory as permanent dwellings in Saskatchewan, for in an extreme climate, basements and walls of a more solid construction are necessary to ensure a satisfactory standard of health.

Further attempts have been made to alleviate the situation through Federal legislation. The Dominion Housing Act, passed in 1935, provided assistance in the form of loans, for 20 years at 5 per cent. interest, the individual providing an equity of 20 per cent., the Dominion government providing up to 20 per cent., and private loan companies up to 60 per cent. of the value of the house. The most effective criticisms of this Act are that few people have been able to put up the necessary 20 per cent. equity, and that the provisions have not been utilized by those with small income, nor by persons living in small or remote communities. Two units were constructed in Saskatchewan at a total cost of \$8,200, out of a total of 5,295 units, and total loans of \$21,155,655. The Home Improvement Plan, resulting from the recommendations of the National Employment Commission was launched in November, 1936. This plan provided for loans, by chartered banks and lending institutions, up to \$2,000, to the property owner wishing

to repair, modernize or improve his home. Home Improvement loans for improvement to farm homes in Saskatchewan totalled 197 out of 9,406 loans made.⁽¹⁾ To provide a plan more suitable for the low income group, the National Housing Act was passed in 1938. This Act was divided into three parts. Part one repealed the Dominion Housing Act of 1935, but extended some of its provisions. Loans up to 90 per cent. of the value of the house may be made, if the value does not exceed \$3,200 and up to 80 per cent. in other cases, with a maximum of \$3,200—the Dominion Government's share being not more than 25 per cent. The second part authorizes the Minister of Finance to make loans to local housing authorities for assistance in construction of houses for lease to families of low income, the loans not to exceed 80 per cent. of the cost, to limited dividend housing corporations formed by a group of private citizens; and 90 per cent. to municipalities and any agency acting on their behalf. Part three provides that the Minister of Finance pay a percentage of municipal taxes for three years, on a house built between June 1, 1938, and December 31, 1940, costing not more than \$4,000.

Parts two and three were not effective, the second part because of lack of authority to form "local housing authorities", and lack of action on the part of the Dominion Government, and part three because bonuses were not great enough to assure municipalities against loss. Under both the Dominion Housing Act of 1935 and the National Housing Act of 1938, 76 loans, totalling \$393,291 (.5 per cent. of the total loans made) to build 147 housing units were made in Saskatchewan to Sept. 30, 1943. The chief criticism of the Housing Act was that it was not extensive enough. The loans offered were of no use to the lowest income group, those in greatest need of housing; nor would the private loan companies agree to loans in small centres. For example, the Board of Trade of Yorkton, in a brief to the Reconstruction Council stated they were unable to secure loans from private companies who claimed that they did not pay.

At the present time an amendment to the Housing Act is being considered. Although this legislation has not been brought into the House, Mr. Ilsley has made the main provisions public to encourage the use of available supplies. The interest on new loans is reduced from 5 to 4½ per cent., and the ceiling is raised from \$3,200 to \$4,000 which means that the maximum appraised value of the house has been raised from \$4,000 to \$5,000. On very low-cost houses with an appraised lending value of \$3,200 or less, loans up to 90 per cent. of estimated cost can be

made, but the loan ratio is to taper off to 80 per cent. on houses costing between \$4,000 and \$5,000. A change, permitting re-payment of some loans over 25 to 30 years, when made in centres with adequate town planning and protective zoning ordinances, is to be made although there is great risk that the material bought during war-time may deteriorate quickly and be very poor security in 20 years if payments for unusable dwelling accommodation should cease.

This amendment to the housing legislation for private building was coupled with three other plans to meet housing needs. The Government will extend support, similar to that given Montreal, to any Canadian centre where housing at a reasonable rental has become an acute problem. In Montreal, a group of citizens formed a provincially incorporated company, to which the Dominion Government agreed to advance nine times the amount subscribed by the shareholders, at a rate of three per cent., to be repaid from rentals over a period of 40 years. The aim of this scheme is the return of the capital invested, without profit. Further, to relieve the shortage, the Dominion is giving assistance to the conversion of large homes into suites. The extent of conversion is controlled by the property owners, who must yield control of their properties, and be satisfied with the rental offered by the National Housing Administration. The property owners must be able to give the Housing Administration possession of the property, in order that there be no tenant-owner problem. However the owner may lease a suite in his old home. The construction work is being done in each case at a maximum cost of \$1,500 per dwelling unit, paid by the Government which also operates and provides the necessary services such as heating, property maintenance, janitor services, etc., and will pay the owner each month one-twelfth of the annual amount of increased taxes, should the improvement raise the tax rate. The rents of these suites are fixed by the Government at a rate comparable to rents in the neighbourhood. The third plan is the initiation by Wartime Housing Ltd. of a programme for construction of additional houses to accommodate dependents of members of the armed forces.

The Reconstruction Council believes that under these schemes urban housing is adequately provided for. The officials of the National Housing Act will aid municipalities in town planning by explaining the principles, but it is agreed that communities must work out their own plans, and since most urban municipalities have ample powers to care for slum clearance, and correct conditions detrimental to the health of citizens, it is their responsibility to take steps to improve the situation, by enforcing their town planning, construction, health standards, and bylaws.

(1) HOUSING—A study prepared for the Royal Commission on Dominion-Provincial Relations, A. E. Grauer, Ottawa, 1939, pp. 40-44a.

Special provision must be made to aid rural housing by supplementing present legislation. The Council is of the opinion that one function of the new Department of Reconstruction should be the provision of technical housing advisers, with knowledge of architecture, sanitation, farming and economics, to advise farmers regarding proper housing; and coupled with this, an educational campaign to teach people the need for adequate facilities and how to achieve them. To aid in financing rural housing, Federal assistance on a 20-year plan at a low rate of interest should be such as to place rural dwellers on a parity with urban residents. This should be supplemented by as much assistance as the Province can give. Aid comparable to that given individual owners should also be given Co-operative Building Societies. The Council recommends that housing up to a certain minimum be assured by advancing money to borrowers at 1 per cent., even if it costs the Government 3 per cent. to borrow, the difference of 2 per cent. being paid out of general funds, and justified as a form of social service.

In the event of money for building being still out of reach of the low-income group, Mr. F. H. Portnall, a Regina architect, suggests that low-income apartment blocks be built and operated as a co-operative or civic undertaking. These would be of fire-proof construction with three floors and a basement, providing 35 or 40 various sized units each. Every six suites would have a separate stairway, and thus good light and cross ventilation would be assured. Four of these could be built on a city block with playground space provided, at a probable cost of \$500,000, and might be located in the blighted areas of the city as slum clearance projects. The savings result from low cost of maintenance, economical heat, light and hot water services, combined with first class type of construction. These blocks would provide adequate accommodation for those not able or willing to own their own homes.

The type of project presented by the Housing Co-operative Association Limited should receive aid under Part 2 of the National Housing Act. The co-operative plan takes the form of a neighbourhood unit. All land and dwellings are held in "single ownership" by the community unit as an association. Each man subscribes for shares of stock to the value of his proposed dwelling, whether house or suite, and pays a certain percentage in cash. The association borrows funds for building, and amortizes principal and interest over a period of from 20 to 30 years. Tenant members control the association democratically through joint action and secure permanent leases to their homes as long as they fulfill their obligations to the association, as set out in its bylaws. Each man pays a monthly "rental" which over a period of years pays up shares in the association to the

full value of his dwelling and provides for upkeep, heating, taxes, insurance and community services. At the end of 20 years the rent might be lowered to an amount sufficient to cover running expenses and depreciation. Each member knows that he will be secure in his home if temporarily ill or unemployed, for the reserve fund of the association will pay for his shares until he goes to work again, or for a period specified in the bylaws. If a member is transferred, or wishes to withdraw, he may look for another tenant-member to take his place, and the association buys his shares from him. Shares may be transferred with the approval of the directors, at the value of the investment and no higher, thus eliminating any opportunity for speculation. A plan such as this reduces the cost of land, because it need not be subdivided; materials are bought in quantity and delivered to one site; and the interest rate is lowered, since the risks of deterioration of surroundings and of the houses themselves are taken care of. To make possible this form of society, they recommend that representation be made to the Dominion Government for provisions in the National Housing Act to facilitate the development of co-operative housing units, with long-term loans at low rates of interest. This Association also proposes the setting up of a National Housing Loan Fund from which member building societies might borrow up to ten times the reserves of the fund, which would be in Dominion Government bonds.

Mr. J. G. Schaeffer, Director, Division of Sanitation, Department of Public Health, appearing before the Council, pointed out that present housing conditions were not a result of war-time conditions, but that overcrowding, unsanitary conditions, dilapidated buildings, existed long before the war started. To correct the situation, he recommended that the Provincial Government initiate a housing programme with the co-operation of the Federal Government and give leadership to the municipalities. To provide the most workable plan, legislation should be implemented; research and experimental work undertaken; an educational campaign started; encouragement given to Home Building Societies, Co-operatives, and Credit Unions; and the costs of preparing plans and conducting surveys, an immediate need, should be shared. The limit on National Housing Act loans should be lifted, to allow borrowers 100 per cent. of value of proposed home.

The numerous references to housing in briefs presented to the Reconstruction Council indicate the growing interest in the condition of homes in the Province. The Regina Trades and Labor Council estimates that 5,000 homes will be needed in Saskatchewan the first year after the war, costing \$17,500,000 and providing employment for 4,000 men. It was sug-

gested by the Canadian Women's Press Club, and the Y.W.C.A., Regina, that in such a programme, consideration be given to use of salvaged material from military buildings, or the buildings themselves, by conversion or dismantling. The Regina Local Council of Women suggested that use be made of Canadian building materials as far as possible, and the Bricklayers and Plasterers Union of Saskatoon urged the use of brick. Mr. F. H. Portnall, appearing before the Council, suggested that to reduce the cost of building, research be undertaken by the Engineering Department at the University of Saskatchewan to develop a light weight concrete, suitable for use in wall units. This idea is also being promoted by a cement company in the Province. The Regina Housing Co-operative Association Ltd. and the Y.W.C.A. of Saskatoon propose a Federal Research Institute for housing to carry on research as mentioned above, with women included on the staff, while the Regina Local Council of Women, and the Y.W.C.A., the Saskatoon Local Council of Women and the Canadian Federation of Business and Professional Women's Clubs want women included on the administrative and planning bodies of any housing programme. The Y.W.C.A. of Regina, the Prince Albert Rehabilitation Committee and the City of Weyburn have realized the advantages, and urge the use of town planning principles to improve the beauty of cities and towns, while the College of Physicians and Surgeons and the Regina Y.W.C.A. suggest the inspection of public buildings, boarding houses, etc., and the strict enforcement of all regulations.

Submissions from urban centres indicate need for homes in all cities. In addition to the data appearing in Table II, the estimate of the Town of Estevan should be noted that 50 to 100 homes are needed; and the estimate of the City of Weyburn, that use could be made of 25 or 30 new homes on sewer and water, each home to cost from \$2,500 to \$4,000. Use will be made of the National Housing Act, and there were suggestions that the Home Improvement Plan be brought into effect once more.

Many organizations think that every attempt should be made to provide rural homes with water, plumbing and heating equipment, and electric light. To this end, the National Association of Master Plumbers and Heating Contractors of Canada believes that the farmers should have priority on plumbing and heating fixtures now installed in government-owned temporary structures. The Canadian Legion, Saltcoats, the Regina Trades and Labor Council and the Saltcoats Reconstruction Committee believe there should be a national campaign to paint and repair rural houses.

To finance this building and repair programme, help from the Dominion Government is required. Many organizations,

towns and villages, ask for long-term loans (ranging from 20 to 30 years) at low rates of interest. Some organizations urge a change in Federal legislation to make special provisions for rural housing, for the low income group, and to extend aid for the installation of plumbing, heating, and lighting facilities. The Yorkton Board of Trade brief on housing asks that to finance these schemes, a Federal Loan Board or a joint Dominion-Provincial lending institution be established, or in the alternative that arrangements be made to make loans more readily available from chartered banks or other private institutions.

The only plan for slum clearance was one submitted by Mr. Charles Ellis of Saskatoon. He proposed that to encourage the elimination of slum buildings, a maximum selling price be placed thereon, the terms of sale providing that the old building be torn down and a new one meeting the approval of the city be constructed in its place. The purchaser is then given a credit on the city's tax books to the value of the new building. He continues to pay taxes equivalent to the taxes on the old building, while the difference between the taxes on the new building and the old is applied against the credit on the tax book. After this is used up, the owner pays the full tax on the new building.

The cost of the proposed measures will be high, but it must be remembered that if not spent for this purpose, it will go to provide increased expenditure on police, fire and health protective measures, direct charges on municipal and governmental treasuries.

Conclusions

The foregoing analysis indicates very clearly that housing conditions in this province are extremely unsatisfactory. In the opinion of the Council a great percentage of the population lives in homes that are not conducive to a satisfactory life as that term has been used. The Council is further convinced that the resources of the country warrant better housing accommodation for the people of this Province and of Canada as a whole.

Present conditions are no doubt in part due to the low incomes received by a very large percentage of the population. It is hoped that this condition may be gradually corrected and the recommendations contained in other portions of this Report contemplate a redistribution of incomes through enlarged social services and otherwise. It must not be forgotten, however, that poor housing is tolerated by many persons enjoying substantial incomes. This may be due to a lack of knowledge or to competing desires, for many people would, no doubt, prefer a good car to a good house.

In many cases the physical problem is such that inertia cannot be overcome and low-grade housing is simply tolerated.

While the Council is not prepared to recommend that the Government of the Province engage directly in the housing business to improve the situation, it is felt that much can be done by governmental agencies, with particular reference to this problem, and further, that these things should be done. Several recommendations are accordingly offered.

RECOMMENDATIONS

1. That the Government of Saskatchewan through the appropriate department, be prepared to give advisory assistance to such persons as require it, particularly in the matter of supplying plans. The report of the special committee now investigating rural housing should give important information on which such advisory assistance may be based.

2. That the Government give wide publicity to the desirability of improved housing conditions and to the assistance available through governmental agencies.

3. That town planning legislation be revised with a view to having the urban units of the Province develop with a proper regard to economic, sanitary and cultural factors and that the Government be prepared to give active advice and assistance in this development.

4. That municipalities be encouraged to take a more active interest in housing problems. If it becomes advisable for any governmental agency to assume the proprietorship of housing units, it is submitted that this should be done by the municipality rather than by the government of the province.

5. That fullest encouragement be given to co-operative building or housing societies.

6. That the Government of the Province at the earliest opportunity make funds available in the form of loans at very low interest rates for new housing units and for the improvement of existing units. In the opinion of the Council the funds should come preferably from the Dominion Government as a part of a Canada-wide housing programme.

PART XVI.

GOVERNMENT ACTIVITIES TO PROVIDE SOCIAL SERVICES AND TO PREVENT UNEMPLOYMENT

INTRODUCTION

Our concern here is with reconstruction in terms of labour, using the term "labour" in its broadest sense. "Reconstruction" may mean many things, but for present purposes it can be explained in terms of full employment and social services. It is assumed that the long-run material needs of Labour are for social security. It is further assumed that social security requires a dual provision, the provision of employment opportunities for all persons able to work, and of a minimum structure of social services for those who cannot.

The present analysis is designed to accomplish several objects. It will indicate the changing nature of the labour problem due to changing technology and changing social consciousness. It will analyse the goals of full employment and of a national minimum of social services, and indicate certain factors within the Canadian constitutional and economic framework which interfere with the achievement of these goals. It will consider the extension of the Canadian unemployment insurance scheme, some financial problems associated with social security measures proposed in this Report, and, finally, some interrelationships between social security proposals and full employment.

NEED FOR RE-ALLOCATION OF CONSTITUTIONAL AUTHORITY IN THE FIELD OF LABOUR REGULATION

Changing Nature of Labour Problem

The institutional framework creates difficulty frequently due to its failure to adjust to changing conditions. Modern industrialism has created, or at least generalized, a social and economic grouping of persons whose livelihood depends almost exclusively on the sale of their services in the labour market. Their efforts are highly specialized and highly productive. So long as employment opportunities exist their

problem of securing a livelihood is at a minimum. When, however, employment opportunities dwindle, the specialist finds it quite impossible to turn his efforts to producing directly the multitudinous goods and services required by himself and his family.

Faced with the recurrence of periods of shrunken employment opportunities and recognizing the vulnerable position of industrial labourers under such conditions, many urge a return to the simpler life, to a situation where the worker and his family would be more nearly self-sufficient. While some minor adjustments can be made in this direction, as a general principle the reversion to self-sufficiency must be recognized as retrogression, as a step leading with great certainty toward a lower standard of living for labourers. Specialization of labour and modern industrialism offer tremendous prospects for advancement in the living standards of labour over those which could possibly be achieved by self-sufficient families or even self-sufficient communities. The fact that specialization creates problems of adjustment which tax our ingenuity is no justification for the defeatist attitude which would seek progress in a deliberate return to "the good old days."

Full Employment and Private Enterprise

As the basis for reconstruction in terms of Canadian Labour we set the goal of a system of social security involving employment opportunities and social services. The term "full employment" covers the first part of this goal. It is necessary here to outline something of the problem of full employment under present day conditions.

Under what we know as a system of free enterprise or economic individualism labour is put to work by entrepreneurs—by business men, manufacturers, farmers and producers of all kinds. These persons, whom we may call employers, engage in economic activity in search for business income. They start up new enterprises, or expand or maintain existing ones, when

in their opinion the relationship between costs and prices is satisfactory. Conversely, they refrain from entering new enterprises and even curtail existing scales of production when cost-price relationships do not indicate the possibility of profitable production. The freedom of free enterprise so far as the employer is concerned consists essentially in the recognition of the employer's right to respond to changing market conditions in these ways.

Alternatively, under the system of a planned economy or, in the extreme, the dictated economy, employers engage in particular lines of activity or not in response to central direction instead of in response to variations in prospects for profits. Freedom, of course, is relative, free enterprise as we know it being subject to restrictions such as sanitary and sumptuary regulations, and dictatorships as we know them permitting some measure of freedom, however slight. Nor does free enterprise preclude planned enterprise where, in the case of government industries, the state becomes the employer and where employment may or may not be adjusted in line with profit considerations.

In a system of free enterprise, then, unemployment is likely to occur and recur unless profit prospects exist continuously. That profit prospects do not exist continuously is demonstrated by the business cycle where periods of prosperity and full employment are followed with seeming certainty by periods of depression and unemployment.

Economic disturbances arising from five or more years of world war go much deeper than the ordinary business cycle, and full employment plans for the post-war years must be correspondingly far-reaching. Yet the essential problem is the same, that of making the full employment of labour attractive to private businessmen and employers of all sorts. There is the alternative of dictatorship where government could force the employment of labour willy nilly, always maintaining unlimited openings in the army or labour camps to engage the surplus, unemployable elsewhere. The Council mentions the alternative but rejects it as completely alien to the Canadian way of life.

Public Works Programmes: Necessarily National

A common proposal for the prevention of unemployment in Canada rests on the conduct of a substantial and properly timed programme of public works. The idea is that government employment on public-works projects will, when necessary, supplement the employment of private em-

ployers. More than that, if employment and wage bills are maintained, the purchasing power of labour will be kept up and profitable activity and employment opportunities will be maintained throughout the non-governmental segments of the economy.

It can readily be proven that a full-employment policy would have no chance for success on a municipal or a provincial basis. It must, for a variety of reasons, be a policy of the Federal Government.

First, the question of adequacy. This is more serious than commonly recognized. For example, we know something of Roosevelt's public works programme in the United States in the 1930's, programmes which appeared to be of colossal magnitude. Yet one reason why those schemes had only mediocre success as a cure for unemployment was because they were inadequate. It has been estimated that in 1929 private investment in durable goods was from three to five times as great as Roosevelt's public-works spending in the depression years. Government spending is of necessity concentrated within a narrow range of activity and may appear to be of startling proportions while at the same time being wholly inadequate to compensate for the lack of private spending. Public works programmes must be financed by borrowing, by "deficit finance", and only federal credit could approximate the need.

Second, full employment for Canada posits a substantial measure of international trade—unless there is envisaged a complete reorganization of our economy and a drastic decline in the standard of living attainable even under full employment. Graham Towers, Governor of the Bank of Canada, states that 30 per cent. of the national income of Canada depends directly on foreign trade. Whatever the exact percentage from time to time, the relationship between employment and foreign trade is obvious. Constitutionally and economically provincial governments are powerless to take the steps necessary to assure the maximization of Canadian trade.

Finally, the Dominion Government controls a variety of the instruments more or less directly concerned with employment possibilities. Through its control over the monetary and banking system, including the rate of interest, it may initiate credit policies which would give private employers the assurance of ample credit with which to finance proposed activities at reasonable interest rates. Through its control of trade and commerce and of anti-monopoly legislation the Dominion Government could restrain restrictive trade and production practices to an extent quite beyond provincial ability.

"Full Employment" Only Part of the Problem

The term "full employment" is commonly used as if it were self explanatory, the implication being that full employment is a measurable condition, that at any time we could say how many million workers at work would constitute full employment for Canada. We have been at the bottom of the Canadian manpower barrel too many times within the past four years, always being able, apparently, to draw out a few hundred thousand more workers, to think any more that full employment is a fixed and immovable limit.

A few points about full employment⁽¹⁾ will indicate that the term is vague and, moreover, that it touches only a part of the economic problem of social security. In fact, it touches only a part of the condition of being out of a job.

First, full employment cannot be measured more accurately than within, say, eight or ten per cent. above or below some estimated figure. It is a zone instead of a fixed quantity, and it varies from time to time. Full employment today, during war-time, is considerably above any reasonable post-war full employment. On a peacetime basis it would be desirable that many of the young now working should continue their education; that many of the old should retire or return to retirement; and, without passing any judgment as to desirability or otherwise it can be said that in all probability many women now working would willingly withdraw from the labour market.

Second, employables are never all at work at the same time, nor can they be. Changing of jobs or residence, illness or bereavement in the family, holidays—these and other reasons leave appreciable percentages of workers out of work at all times. In Canadian trade unions at the peak of employment, or conversely the periods of minimum unemployment, in 1923 and 1928, unemployment figures were 4.9 per cent. and 4.4 per cent. respectively.

Third, in Canada the questions of seasonal employment and of own-account workers are important. Employment figures for August and September run from ten to twenty per cent. above those for January. A high level of employment in the former months may leave unsolved a host of problems for people out of jobs at other times of the year. As to the other point, the general tendency to relate employment indices to wage and salary-

earners only is most unsatisfactory in Canada, for other groups of workers, notably those on "own-account", constitute such an appreciable part of the whole. Wage and salary-earners account for but two out of three gainfully employed Canadians.

It is clear that full employment is not the whole answer to the problem. At the most it applies only to employables and leaves untouched the whole area of unemployables, the old, the ill, the disabled; it leaves untouched a large area of distress and social insecurity which may affect employables who are employed,—insecurity related to seasonal or sporadic unemployment, inadequate wages, unsatisfactory working conditions as to hours, safety, union recognition and collective bargaining, etc. Finally, full employment is an ideal goal which undoubtedly will not be fully realized despite our best efforts.

A Canadian Standard of Social Security

The Rowell-Sirois Commission put forward the idea of a Canadian standard of social services and directed their recommendations toward the possibility of enabling each province "to provide the normal Canadian standard of services and impose taxation of normal severity". (Report, Book II, p. 272). Their argument was—and experience bears them out—that in a territory of such vast extent as Canada serious inequality of wealth and welfare is bound to exist, that inequality of opportunity and of social ability to deal with welfare problems is inevitable unless care is taken to prevent it. Their argument was further that the fact of a federal union involved the principle of a national responsibility for public welfare, not that services and opportunities necessarily should be maintained at equality, but that in no portion of the Dominion should they be allowed to fall below a minimum defined and recognized as the normal Canadian standard.

Population movements provide a long-run mechanism tending to minimize the economic and social inequalities between different regions within the Dominion of Canada. For fifty years before 1930 people from Ontario and Quebec sought the greater advantages of the prairie provinces. A common saying regarding the Maritimes is that when all other exports failed they have exported men. So it might be said of the prairie provinces in the 1930's, when wheat export failed, men and women took its place.

Such readjustments, however, are slow and may be, by themselves, terrifically painful. There is no guarantee that even in the long run they would secure various regions from falling into economic and

(1) For a fuller discussion of the concept of full employment see D. C. MacGregor, "The Project of Full Employment and Its Implications", in Alexander Brady and F. R. Scott (eds.), "Canada After the War" (Toronto, 1943), ch. VI.

social conditions which should not be tolerated within the Dominion of Canada. For short periods of time, years or even decades, gross inequalities may exist. From 1928 to 1933 income in the prairie provinces declined by 52 per cent. and in Saskatchewan by 57 per cent. while the national income for Canada fell by 46 per cent.

The concept of a normal Canadian standard cannot be defined in general terms applicable to all types of services and all circumstances. It would have to be defined specifically in reference to particular sources and to particular circumstances. It would be possible, for example, to say that the normal Canadian standard of education should assure all children, regardless of region, of educational opportunity till the age, say, of 15, or till completion of Entrance or some other agreed upon standard. Similarly it would be possible to agree that financial status should not bar a resident of any part of Canada from reasonable care in case of illness from such diseases as tuberculosis, cancer, or infantile paralysis. Similarly with other fields of social services. Standards set specifically for individual services would necessarily vary from time to time in line with changing knowledge of medical care, changing levels of possibility in terms of public finance, and with changes in social consciousness.

Restrictive Nature of Existing Constitutional and Economic Controls

Existing constitutional controls prevent any considerable steps toward securing a minimum Canadian standard of social security. A brief outline of relevant constitutional factors will demonstrate this condition and at the same time suggest essential modifications.

At the time of Confederation great ventures were afoot in British North America, among them the colonization of the North West Territories, the present prairie provinces, and the securing of its trade and commerce for the St. Lawrence interests against the threat of the United States. The Dominion Government was established to accomplish these designs and it was given legislative powers ample for its purposes. Of the twenty-nine subjects or groups of subjects specially listed in Section 91 of the British North America Act as subjects for exclusive Federal legislation, over half relate to trade and commerce—among them the following: regulation of trade and commerce, navigation and shipping, currency and coinage, banking and the issue of paper money, weights and measures, bills of exchange and promissory notes, interest, legal tender, and bankruptcy and insolvency. In order that financial limitations should not handicap the Dominion in the achievement of its purposes the Federal Government was

given power for "the raising of money by any mode or system of Taxation" and for "the borrowing of Money on the Public Credit."

The provinces were left by the British North America Act with what were regarded at the time as purely local functions, such as municipal institutions, education, and the provision of prisons, hospitals, and asylums. In other words social services were to be provincial functions. At the time they, along with education, were regarded as of minor importance and the very limited resource of direct taxation was to suffice for the financing of all provincial activities. Of particular significance for labour legislation of all sorts is the listing in Section 92 of the British North America Act of "Property and Civil Rights in the Province" as a subject or subjects of exclusive provincial jurisdiction. Under this clause the courts, including the Judicial Committee of the Privy Council, have held that labour legislation lies within the exclusive jurisdiction of the provinces. The forceful re-affirmation of this principle by the Judicial Committee within the past decade will be pointed out below.

Economic and social changes have gathered with cumulative force to demonstrate the inadequacy under present-day conditions of the 1867 division of authority on matters of public welfare, particularly on matters concerning labour. Increasing industrialization and specialization make communities and individuals increasingly interdependent. Unemployment and economic distress are commonly beyond the ability of the individual or of the community or even of the region to prevent or allay. Parallel with the increasing severity of economic maladjustment there has developed a greater social awareness of the injustices of wide variations in economic opportunity and social security. The need for social action and the recognition of that need have grown markedly, the issue being most sharply raised by the world-wide depression of the 1930's. In short the assumptions underlying the Canadian division of powers, that social services and labour legislation were matters of limited and local importance, have been conclusively proven unsound in the light of present-day economic conditions.

In 1935 the Dominion Parliament passed a number of laws designed to control labour matters. In 1937 the Judicial Committee of the Privy Council reviewed these laws to determine whether or not the Dominion Parliament had power to pass them. In 1925 the Privy Council had declared⁽¹⁾ the

(1) *Toronto Electric Commissioners v. Snider* (1925) A.C. 396. See Brooke Claxton, "Social Reform and the Constitution" (Canadian Journal of Economics and Political Science, Vol. 1, 1935, pp. 411-35).

Federal Government's Lemieux Act invalid, ruling that the Federal Government had no right to pass labour legislation which might run counter to the provinces' control over property and civil rights. The Federal legislation of 1935 and the Privy Council's rulings of 1937 established two points: first, that the Dominion Government has come to recognize labour legislation as a proper field for Dominion activity so far as current economic and social conditions are concerned; and, second, that the Privy Council still considers labour legislation to be constitutionally the exclusive domain of the provincial government.

Late in 1934 Mr. Bennett proposed a Dominion-Provincial conference to discuss among other points the question:

"Are the provinces prepared to surrender their exclusive jurisdiction over legislation dealing with such social problems as old-age pensions, unemployment and social insurance, hours and conditions for work, minimum wages, etc., to the Dominion Parliament? If so, on what terms and conditions?"(1)

When the provinces gave little encouragement in the matter Mr. Bennett projected his proposed "New Deal" legislation over the air and put through the 1935 Parliament the following labour legislation: the Employment and Social Insurance Act, the Limitations of Hours of Work Act, the Weekly Rest in Industrial Undertakings Act, and the Minimum Wages Act. These Acts along with two or three others constituted in the words of one authority "the principal attempt made by the Dominion Parliament to cope with the economic problems disclosed by the world depression."(2)

The Privy Council had already declared that the Dominion Parliament had no authority to enact labour legislation because of provincial control over property and civil rights. On what grounds, then, did the Federal Government hope to sustain its sweeping new venture in the field of labour control?

The Federal Government hoped that the various Acts would be supported by a variety of provisions. Three, those relating to minimum wages, limitation of hours, and a weekly day of rest, were substantially the same as draft conventions of the International Labour Organization. The Dominion Government had ratified these conventions and then put them in the form of Statutes. The hope was that these Acts would stand under the Federal treaty-making power granted by Section 132 of the B.N.A. Act, or failing that, under the Federal power to make laws for the peace, order, and good government of Canada on matters not assigned to the provinces. The

hope was that the Employment and Social Insurance Act would stand as a taxing measure in view of its compulsory levies on employers and employees.

The Supreme Court of Canada considered the Employment and Social Insurance Act *ultra vires* the Dominion Parliament, and divided equally on the other three Acts. The Privy Council declared them all *ultra vires* the Dominion. None of the grounds on which, it was argued, the Federal power of enactment stood was valid ground. As Professor Scott says: "In fact, all these national issues turned out to be mere matters of property and civil rights within the provinces."(3)

These decisions established conclusively that so far as labour legislation is concerned the British North America Act can not be made to conform to modern requirements by any process of judicial interpretation of a degree of liberality which we may expect. Amendment of the B.N.A. Act remains the one alternative.

One significant constitutional change has modified the picture since 1937, the amendment of the B.N.A. Act so as to place unemployment insurance within Federal jurisdiction. The Rowell-Sirois Commission was instrumental in this regard. They stated:

"The Commission . . . (found) one onerous function of government which cannot under modern conditions, be equitably or efficiently performed on a regional or provincial basis. This function is the maintenance of those unemployed who are employable and of their dependents . . . So firmly is the Commission convinced of the validity of this conclusion that, even when it comes to consider the situation which will arise if its main recommendations are not implemented, it proceeds on the assumption that the relief of the unemployed who are able and willing to work will become a federal function."(4)

In line with this recommendation the Federal Government sought and secured an amendment to the B.N.A. Act in 1940, whereby the words "Unemployment Insurance" were added to Section 91 and thus to the field of exclusive Federal jurisdiction. Immediately the Federal Government introduced and Parliament enacted the Unemployment Insurance bill.

(1) As cited in *Ibid.*, p. 410.

(2) See F. R. Scott, "The Privy Council and Mr. Bennett's 'New Deal' Legislation" (*Canadian Journal of Economics and Political Science*, Vol. III, 1937), p. 234.

(3) *Ibid.*

(4) Report of the Royal Commission on Dominion-Provincial Relations (Ottawa, 1939), Book II, p. 270.

Some inadequacies of the Federal unemployment insurance scheme will be suggested below. It is necessary here to indicate how the provinces have attempted to fulfil their obligations in the matter of labour controls.

Provincial Control Over Labour

The general picture of provincial labour legislation in Canada can be seen from the following quotation:

"In each province, except Alberta and Prince Edward Island, there is a special department or bureau charged with the administration of labour laws. The Province of Prince Edward Island has enacted little labour legislation. In Alberta the Department of Trade and Industry administers most labour legislation, the Board of Industrial Relations having charge of statutes regulating wages and hours. Legislation for the protection of miners is administered in each province by the department dealing with mines. Factory legislation in eight provinces and shops legislation in several provinces prohibit child labour, regulate the hours of women and young persons, and provide for safety and health. Minimum-wage legislation for both male and female workers in each province, except Nova Scotia and Prince Edward Island, is administered by a special board which, in each case, forms part of the Labour Department. Other legislation administered by individual provincial departments includes the laws in each province providing for public employment offices and for the licensing of certain classes of workmen. The Industrial Standards Acts in Alberta, Saskatchewan, Ontario, New Brunswick and Nova Scotia enables the wages and hours of work agreed upon by representatives of employers and employees to be made legal throughout the industry concerned, and the Collective Labour Agreements Act in Quebec permits collective agreements between employers and trade unions to be made binding on all in the industry. Workmen's compensation laws in all the provinces except Prince Edward Island are administered by independent boards."⁽¹⁾

From 1935 to 1944 the Province of Saskatchewan had a Bureau of Labour and Public Welfare under the direction of the Minister of Municipal Affairs.⁽²⁾ In addition to responsibility for labour statistics and for the provision of employment facilities the Bureau was charged with the administration of the following Acts:

- (a) The Factories Act;
- (b) The Building Trades Protection Act;
- (c) The Employment Agencies Act;
- (d) The One Day's Rest in Seven Act;
- (e) The Weekly Half-holiday Act;
- (f) The Coal Miners' Safety and Welfare Act;
- (g) The Minimum Wage Act;
- (h) The Workmen's Wage Act.

In 1944 the Saskatchewan Legislature established the Department of Reconstruction, Labour and Public Welfare which assumed responsibility for Provincial labour legislation.

Summary

The foregoing analysis has shown that the division of responsibility in labour matters which is provided for in the British North America Act is inadequate under modern conditions. Changes of productive techniques leading to greater specialization of labour and to increasing economic interdependence render the problems of control in labour matters quite beyond the abilities of provincial governments. Dominion jurisdiction over labour and labour problems is essential.

EXTENSION OF UNEMPLOYMENT INSURANCE

Inadequacies of Present Coverage

The national Unemployment Insurance Act of 1940 established a system to provide employment services and set out the conditions for the distribution of unemployment benefits. The amount of coverage provided was limited. It was estimated in 1941 that the Act would cover 2,100,000 wage earners.⁽³⁾ This represents 46.6 per cent. of Canada's 4,510,535 gainfully employed in that year.

The gainfully occupied persons lacking coverage fall into three groups. First, employers and self-employed persons. On the 1941 census basis there were 1,036,218 persons in this group. Second, wage and salary workers with an annual income above \$2,400. This group is of minor numerical importance. In 1941 only 4.06 per cent. of male and 0.18 per cent. of female wage and salary workers had annual earnings over \$2,500. The percentages receiving more than \$2,400 per year would, of course, be slightly larger. Third, and finally, workers in industries and occupations specifically excluded from coverage by the Act.

(1) Canada Year Book (1942). p. 676.

(2) R.S.S. 1940, c. 31.

(3) Canada Year Book (1941), p. 665.

Workers in the latter group constitute by far the largest block of those excluded from unemployment insurance coverage. Among the most important of the excluded industries and occupations are the following: agriculture, horticulture and forestry, fishing, lumbering and logging, hunting and trapping, transportation, stevedoring, domestic service, hospitals and charitable

institutions, professional nursing, teaching, police work, permanent employment with municipalities, provincial and Dominion government work, and the armed forces. Exact figures are not available for all of these classes. However, there are data for the numerically important ones so that the general extent of these exceptions can be indicated, as in Table I.

TABLE I.

Number of Gainfully Employed in Exempted Industries, 1941 (a)

	Canada	Saskatchewan
Agriculture	1,081,994	187,415
Forestry and Logging	93,850	1,036
Fishing	34,376	186
Hunting and Trapping	16,518	2,503
Transportation (Air and Water)	36,369	516
(b) Dominion Employees	70,753	4,039
Provincial Employees	23,377	1,676
(b) Municipal Employees	40,893	2,177
Domestic Service	186,350	14,716
(c) School Teachers	64,465	7,400 (d)
(c) Graduate Nurses	26,473	(e)
(f) Males on Active Service	313,452	23,997
Total (g)	1,988,870	245,661
Adjusted Total	2,000,000	246,000

(a) Data taken from Census Bulletin, "Gainfully Occupied by Industry and Sex" (Ottawa, 1941), unless otherwise specified.

(b) The Unemployment Insurance Act excludes permanent Dominion and municipal employees. The data here include, presumably, temporary employees as well. Figures do not include postal officials and certain other Dominion employees.

(c) Data found in Census Bulletin, "Occupations: No. O-3j" (Ottawa, 1941), p. 14.

(d) An approximate figure. The Canada Year Book, 1942, p. 878, gives a figure of 7,422 teachers in all publicly controlled schools in Saskatchewan in 1940.

(e) No data available.

(f) The Unemployment Insurance Act excludes the armed forces.

(g) Data are not available for a few of the groups listed in the Act, such as, horticulture, stevedoring, police force, hospitals and charitable institutions. Some, such as the police force and workers in municipal hospitals will, however, be included in the table as municipal employees. The remaining omissions will be small. As rough approximations, therefore, the totals may be changed to 2,000,000 and 246,000 for Canada and Saskatchewan respectively.

As pointed out above only 46.6 per cent. approximately of the gainfully employed persons in Canada are covered by the unemployment insurance scheme. When it is taken into consideration that 62.3 per cent. of the male and 14.9 per cent. of the female

population of Canada are gainfully employed the coverage of unemployment insurance in terms of the total population becomes even less extensive. The following table summarizes significant relationships.

TABLE II.

Calculated Summary Table, 1941 (a)

	Canada		Saskatchewan	
	Total	Index	Total	Index
Total Population	11,506,655	100.0	895,992	100.0
Age Group (15-59).....	7,133,138	62.0	550,810	61.5
Total Gainfully Employed.....	4,510,535	39.2	339,899	37.9
Numbers in Exempted Industries	2,000,000	17.4	246,000	27.5
Estimated Coverage	2,100,000	18.3	(b)	

(a) Data for population, age groups, and gainfully employed are census data. Data for numbers in exempted industries were arrived at in Table I above. The estimate for Dominion coverage was made in Ottawa in 1941 and is an approximation.

Coverage plus exemptions must account for all gainfully employed. If coverage as estimated is 2,100,000 for the Dominion then there must be 2,410,535 workers exempted. Of these 2,000,000 are in exempted industries and the balance of 410,535 are exempted because of being own-account workers or because of salaries exceeding \$2,400.

(b) Not available.

Among the significant points revealed by this table is the comparatively high percentage of the Saskatchewan population engaged in exempted industries. While the Dominion figure here is 17.4 per cent., the Saskatchewan figure is 27.5. Similarly, a high percentage of the gainfully employed in Saskatchewan are in exempted industries. Though not calculated in Table II, the figures show that 72.4 per cent. of Saskatchewan gainfully employed are in exempted industries while in the Dominion as a whole only 44.3 per cent. of the gainfully employed are engaged in such industries.

The unemployment insurance scheme was designed to provide coverage for unemployment. The three main types of unemployment in the Canadian economy are: structural, a result of geographical and educational immobility; cyclical, a result of the business cycle; and seasonal, a result of the seasonal factor in industries such as agriculture, mining, fishing and lumbering. Among the industries exempted from coverage under the Canadian Unemployment Insurance Act are the most seasonal of Canadian industries. Saskatchewan in particular is an example of a section of the country where a high proportion of the workers are excluded from unemployment insurance coverage and where this is associated with the dominance of seasonality in the province's economy.

The expiration of benefits is another aspect of the lack of coverage. Benefits expire for the worker after he has received

a number of daily benefits equal to one-fifth of the number of daily contributions which he made during the previous five years, less one-third of the benefits which he received during the three previous years. As yet this limitation on benefits has not resulted in complaints.⁽¹⁾ The development of the war economy throughout the whole period covered by unemployment insurance, and the exclusion of all but the most constantly employed, suggest that in the future, as these conditioning influences are removed, a problem of lack of coverage may arise from this source.

Comparison with the United States and Great Britain

Unemployment Insurance legislation comparable to Canada's is found in the United States and in Britain. Unemployment Insurance legislation was first passed in Great Britain in 1911, and was extended in 1916, 1920, and 1934 to provide partial industrial coverage. In 1936 an Act extending insurance to the hitherto exempted agricultural workers was passed. American unemployment insurance was included in the general social security scheme implemented in 1935. Complete coverage of all workers has not been achieved in either Britain or the United States as Table III, indicating limits in the coverage, shows.

(1) The average period of unemployment for which benefits were received in 1943 was 15 days. This period would vary considerably with variations in general employment conditions.

TABLE III.

Excluded Industries in Canada, United States and Great Britain

Canada	U.S.	Great Britain
Agriculture Horticulture and Forestry Fishing	Agriculture	Certain workers on fishing vessels
Lumbering and Logging Hunting and Trapping Transportation by Water or Air Stevedoring		Railways (a)
Domestic Service Professional Nurses Teaching	Domestic Service Education	Domestic Service Professional Nurses Teaching
Police Force Permanent Municipal Employees Prov. and Permanent Dom. Govt. Employees	Civil Servants Civil Servants	Police Force Civil Servants (a)
Armed Forces Hospitals & Charitable Institutions	Charitable Agencies	Armed Services Public Utilities (a)

(a) Employments which are excepted if certified by the responsible Minister.

General principles established in Canada, the United States and Britain relating to the amount of coverage are shown below.

Canada

(1) Only persons employed under a contract of service or apprenticeship are insured.

(2) Wage and salary workers earning more than \$2,400 annually are excluded from coverage.

(3) Persons paid on an hourly, daily, weekly, piece or mileage rate are insured regardless of the total annual remuneration.

United States

(1) Industries employing less than 8 employees are excluded from coverage under the scheme.

Great Britain

(1) Any employed person in receipt of any pension or other income of £26 or upwards which does not depend upon his own exertions may be excluded from the Act.

(2) A person employed in an occupation which is of a seasonal nature and does not ordinarily extend over more than 18 weeks in any one year, and who is not ordinarily

employed in any other occupation which is insurable employment is excluded from coverage.

(3) Employment, except manual labour, resulting in an income exceeding £250 annually is excluded.

(4) Persons employed in any industry who are entitled to rights in a government recognized superannuation fund are excluded.

The minimum salary for exemption in Great Britain is approximately one half of the minimum Canadian exemption. The comparison here is favourable to the Canadian scheme. The British exclusion of the most seasonal of their workers—those working less than 18 weeks a year in one industry—is preferable to the Canadian principle of excluding seasonal workers altogether. The application of such a principle in Canada would allow for the coverage of many of the workers in our important primary industries such as agriculture, logging and lumbering.

The most pertinent comparison for Saskatchewan is in regard to agricultural labour. Britain now has legislation⁽¹⁾ extending unemployment insurance coverage to all agricultural workers except where the employee is the son, daughter or spouse of the employer, and with the exception of private gardeners. Contributions are collected by means of a stamp system comparable to Canada's system at

(1) Unemployment Insurance Act, Statutes of Great Britain, 26 Geo. V—Edw. VIII c. 13.

the present time. The rates of contribution in agriculture are slightly below those for corresponding industrial employments as are the rates of benefit. The right to agricultural benefit is established upon the payment of 20 contributions, and the duration of these benefits is 12 days plus 3 further days for each of the labourer's contributions in excess of 10. Comparable figures for the seasonal mobility of Canadian and English agricultural workers are not available, but a reasonable inference is that because of the type of farming, seasonal mobility in Britain is less than it is in the prairie provinces. However, the fact that the stamp system of collection is utilized would seem to indicate the possibility of extending our similar stamp system not only to agricultural labourers, but also to other seasonal workers presently excluded from the benefits of the Unemployment Insurance Act.

American unemployment insurance excludes agricultural labourers. This exclusion is consistent with their exclusion of all industries hiring less than 8 labourers. As this exception was made at the time of the inception of the American scheme the desire to avoid unnecessary administrative complications was probably the causative factor. There seems to be no element inherent in the situation prohibiting an extension of the coverage to agricultural or other seasonal workers and to workers in industries employing less than 8 workers. Such an extension would add considerable administrative work, both in registration and in checking, but the advantages would more than balance the costs of the increased administration.

Extension of Canadian Coverage

Classes excluded under unemployment insurance legislation are concentrated in seasonal occupations such as agriculture, and in industries in which fluctuations in employment are minimized such as in the civil service. Seasonal workers are excluded because of the administrative difficulties in collecting contributions from and checking the registration of itinerant wage earners, while secure employments are excluded because the amount of benefits qualified for are not thought sufficient to justify the exaction of the established rates of contribution. Since adequate benefits during a period of unemployment is a basic necessity of a system of social security the Council recommends that the presently excluded classes should be given coverage, whenever and wherever possible, in spite of administration difficulties or the security of employment.

Inasmuch as the British example indicates that coverage of seasonal wage and salary workers is possible, the Council re-

commends that Canadian unemployment insurance should be extended to cover an increasing proportion of the wage and salary earners excluded under present conditions. By having the employers in the seasonal industries purchase stamps and affix them to the employees' books a record of contribution would be available. Considerable administrative work would be necessitated as a result of the inflow and outflow of unemployment insurance books during periods of unemployment and as a result of the necessity of checking employers to ensure that they were deducting contributions. Benefits would be increased in volume, but the absolute amount of these benefits, being in relation to the contribution of the wage-earner and of his employer would not increase the cost of the scheme disproportionately to present standards. It is felt that inasmuch as benefits during a period of unemployment are an absolute necessity in a comprehensive social security scheme, coverage should be as wide as possible.

A further reason for the exclusion of seasonal workers from the Canadian plan was to eliminate one hazard to the actuarial soundness of the scheme. It was argued that if seasonal workers who are sure to be unemployed for portions of the year are included the rate of contribution must be increased to ensure the maintenance of adequate reserves. The present plan is to retain the same rate of contribution in all industries regardless of the risks of unemployment in any particular industry. The Council approves this principle. The actuarial soundness of the unemployment insurance plan would not be destroyed as long as seasonal unemployment was reduced to a minimum. With an efficient employment service, and with the incentive provided by the prospect of termination of benefit payments on securing employment it is felt that seasonal unemployment would be reduced, and could then be covered by insurance.

The present system of unemployment insurance in Canada excludes sickness. One of the qualifications for unemployment benefits is availability for work. Thus, if a worker is unemployed as a result of sickness he receives no benefits, or if a worker is receiving benefits, and becomes sick, the benefits cease.

It is necessary to provide some means of support during periods of sickness. This might be included under other branches of social security such as health insurance, but the same service could be provided through, or by the extension of, existing facilities for providing unemployment benefits. The total cost of this scheme would not be excessive when it is considered that if the worker is hospitalized his costs are provided for under the health insurance scheme. If the worker is not

hospitalized he will need benefits equal to those provided under the unemployment insurance scheme. It must be noted that these benefits apply only to single men or to a wage-earner and one dependent. The increased costs would be comparatively small relative to the importance of the benefits accruing to the individual, and it is thought, therefore, that sickness benefits should be included in a comprehensive social security scheme. The benefits would be the same as provided under the unemployment insurance plan.

Adjustment of Benefit Rates

The present rates of unemployment insurance benefits are considered inadequate. This has developed because there have been changes in the cost of living since these were set and also because more recent social philosophy dictates a higher standard of benefits than originally planned. The weekly rates of unemployment benefit established in the original Act are indicated in Table IV.

TABLE IV.

Weekly Rates of Unemployment Benefit Payable to Categories of Wage-earners, and Approximate Number of Wage-earners, 1942

Group	Weekly Earnings	Approximate Number Insured	Percentage Distribution	Benefit Rate (a) (b)	
0	\$ 0 - \$ 5.40	49,400	1.9		
1	5.40 - 7.50	23,400	0.9	\$ 4.08	\$ 4.80
2	7.50 - 9.60	52,000	2.0	5.10	6.00
3	9.60 - 12.00	119,600	4.6	6.12	7.20
4	12.00 - 15.00	231,400	8.9	7.14	8.40
5	15.00 - 20.00	444,600	17.1	8.16	9.60
6	20.00 - 26.00	522,600	20.1	10.20	12.00
7	26.00 - 38.00	1,157,000	44.5	12.24	14.40

(a) Single man with no dependents.

(b) Payable to a man whose wife is wholly or mainly dependent on him; a married woman with a dependent husband; and a widow or widower with a dependent child under 16.

Benefit rates must be changed periodically to conform to changes in the cost of living if constant real income (in contrast to money income) is to be provided for unemployed persons. The cost of living for the post-war world cannot be predicted, so readjustments necessary cannot be calculated. The Canadian cost-of-living index rose from 100.8 in August, 1939 to 119.2 in May, 1944, although a portion of that increase had already occurred by mid-1941 when the existing rates of Canadian unemployment insurance were established. The prospect of continuing price control for a period after the war would suggest that one or at most a very few changes

in benefit rates would be sufficient. However, a long-term programme must provide for this basic type of readjustment.

In addition to adjusting the scale of benefits to changes in the cost of living a change is necessary to bring benefits to a national standard sufficient to maintain a single man or a "double unit"⁽¹⁾ at a subsistence level during a period of unemployment. A national minimum standard for urban dwellers has been calculated by the Toronto Welfare Council and is outlined in Table V.

(1) Defined in Table IV. (b).

TABLE V.

Desirable Living Minimum Budget and Restricted Assistance Minimum, 1939

Standard	Man and Wife	
	Week	Month
Desirable Living Minimum.....	\$16.00	\$69.29
Assistance Minimum	10.26	44.46

The Toronto Welfare Council considers that the desirable living standard as shown in Table V is sufficiently high to prevent deficiency problems from arising in the course of a long period. Their assistance minimum is sufficient only for subsistence and it should be considered as a level desirable to raise. Over a long period the latter standard would result in deteriora-

tion of the working force. If it were used as a basis for benefit rates it would have to be on the assumption that supplementary sources of aid existed.

Table VI indicates the relation between present benefit rates, the desirable living minimum, and the assistance minimum standards, calculated on a weekly basis.

TABLE VI.

Comparison of Present Benefit Rates, National Desirable Living Minimum Budget, and Assistance Minimum Budget per Week

Group	Weekly Earnings	Actual Benefit Rate (b)	Desirable Living Standard (h)	Assistance Minimum (b)
1	\$ 5.40 - \$ 7.50	\$ 4.80	\$16.00	\$10.26
2	7.50 - 9.60	6.00	16.00	10.26
3	9.60 - 12.00	7.20	16.00	10.26
4	12.00 - 15.00	8.40	16.00	10.26
5	15.00 - 20.00	9.60	16.00	10.26
6	20.00 - 26.00	12.00	16.00	10.26
7	26.00 - 38.00	14.40	16.00	10.26

(b) All benefit rates estimated on double unit.

Table VI indicates that the present benefit rates do not satisfy even the assistance minimum standards established by the Toronto Welfare Council. A total of 35.4 per cent. of the total number insured in 1942 did not receive benefits at a rate equal to the assistance minimum.

As a general principle a sizable differential must be established between rates of unemployment benefits and wage rates received in employment. Without this differential there would be little or no incentive to return to work. The assistance minimum established by the Welfare Council is above the weekly rates of earning classes 1 and 2. Thus it is impossible to establish a rate of benefits equal to the

assistance minimum established by the Toronto Welfare Council.

Marsh sees this difficulty and his proposal for a change in rates is limited by the necessity of keeping a differential between benefit rates and wage rates. Marsh recommends graduating the benefits payable to a married worker over the benefits payable to a single worker. For example, such rates could be raised from a 15 per cent. differential to a differential of 50 per cent. for classes 1 and 2; 45 per cent. for classes 3 and 4; 40 per cent. for class 5; 35 per cent. for class 6 and 33.3 per cent. for class 7. The benefit rates thus payable are illustrated in Table VII.

TABLE VII.
Adjusted Benefit Rates

Group	Weekly Earnings	Percentage Distribution of Wage Earners	Adjusted Benefit Rates		Assistance Minimum Double Units	Desirable Minimum
			Single Unit (a)	Double Unit (b)		
1	\$ 5.40 - \$ 7.50	.9	\$ 1.08	\$ 6.12	\$10.26	\$16.00
2	7.50 - 9.60	2.0	5.10	7.65	10.26	16.00
3	9.60 - 12.00	4.6	6.12	8.87	10.26	16.00
4	12.00 - 15.00	8.9	7.14	10.35	10.26	16.00
5	15.00 - 20.00	17.1	8.16	11.42	10.26	16.00
6	20.00 - 26.00	20.1	10.20	13.77	10.26	16.00
7	26.00 - 38.00	44.5	12.24	16.32	10.26	16.00

(a) As Table IV.

(b) Double Unit—50 per cent. differential for classes 1 and 2, 45 per cent. for classes 3 and 4, 40 per cent. for class 5, 35 per cent. for class 6, and 33.3 per cent for class 7.

The adjusted benefit rates indicated above do not attain the assistance minimum for classes 1 to 3. Although only a small percentage (7.5) of the total wage earners are included in these classes, they are important because unemployment in the unskilled and relatively unskilled groups represented by the low wage classes is likely to be more frequent than in the higher classes. Some adjustments should be made here, but a differential between wages in employment and benefits received during unemployment must be maintained. Groups 1 and 2 cannot be given benefit payments equal to the assumed assistance minimum because the wage and salary

earners in these groups now are below the assistance minimum.

Financing the New Benefit Rates

Under the Unemployment Insurance scheme as presently instituted the employees and the employers pay approximately an equal total amount into the fund. The Dominion Government in addition to paying the administrative costs of the plan, gives a contribution of one-fifth of the total amount paid by employers and employees.

The rates paid by the employer and by the employee are indicated in Table VIII.

TABLE VIII.
**Rates of Contribution to Unemployment Insurance by Employers
and by Employees, 1942**

Group	Weekly Earnings	Approx. Number Paying	Percentage Distribution	Contributions	
				Employer	Employee
0	\$ - \$ 5.40	49,400	1.9	\$.18	\$.09
1	5.40 - 7.50	23,400	.9	.21	.12
2	7.50 - 9.60	52,000	2.0	.25	.15
3	9.60 - 12.00	119,600	4.6	.25	.18
4	12.00 - 15.00	231,400	8.9	.25	.21
5	15.00 - 20.00	444,600	17.1	.27	.24
6	20.00 - 26.00	522,600	20.1	.27	.30
7	26.00 - 38.00	1,157,000	44.5	.27	.36

These rates, and the principle of the graduation of contributions for both employer and employee are considered satisfactory. While a steeper graduation of these rates would be more in line with the principle of contributions according to the ability to pay, it is recommended that

increased costs resulting from the increased benefits be financed by Dominion taxation. Dominion taxation has the advantage of spreading the risks of unemployment over the whole of the Canadian gainfully employed population. This wider base gives the advantage of greater stability in revenue collection.

If the coverage of the scheme is to be extended, greater sources of revenue must be found. Many objections to extension of benefits have been made, based on the contention that such an extension would destroy the actuarial soundness of the scheme. Actuarial soundness, as used in unemployment insurance terminology, implies a balance of assets and liabilities. Liabilities consist of discounted future benefit payments, and assets consist of discounted future income to be credited to the balance sheet. Future income may be appropriated out of wage and salary earners' contributions or from appropriations made from general government revenue. According to such a definition the account would be actuarially sound regardless of the amount of the government contributions as long as those appropriations are guaranteed by government revenue possibilities. Under the present plan Governmental contributions amount to 20 per cent. of the total contributions made by employers and employees. It is recommended that the Government contribution be increased so as to amount to 25 to 30 per cent. of employer and employee contributions. This increase in Government contribution would be in addition to the present payment by the Dominion Government of administrative costs.

The exact rate of increase in Dominion Government contributions necessary, and the source of income for these funds cannot be stated here. The rate will depend upon the extent of coverage and the source of income must be determined in relation to the total costs of social security. A detailed analysis will be found under the section dealing with the financing of social security. A further difficulty results from the necessity of adjusting benefits for changes in the cost-of-living index. These changes are necessary, but the cost is incalculable until such a time as these recommendations are adopted. Periodic adjustments in the rates of Government contribution must be made so that benefits, sufficient to allow the maintenance of the national minimum standard, can be financed.

FINANCING PROPOSED SOCIAL SECURITY MEASURES

Cost of Social Security

An accurate mathematical calculation of the cost of proposed social security legislation is impossible. Proposed rates of contribution, benefit and taxation are dependent upon factors such as the national income, the amount of employment, and the amount of international trade. Furthermore, the timing of a plan such as a scheme for old age pensions would have consider-

able effect on the costs. Actuarial calculation in turn would demand a calculation of methods of finance. The difficulty attached to such a problem can be illustrated by considering the difficulty of assessing the future productivity of the income tax. The rates of taxation will depend on the psychological impact of the cessation of hostilities, the yield will depend upon the height of the national income, and the question of exemptions is complicated by proposed family allowances.

Comparisons can, however, be made. Due to the newness of social security legislation, information available is often tentative but tendencies can be discussed.

New Zealand, with the most comprehensive scheme of social security, incurred a total cost of £13,968,000 in 1940-1941. This cost amounts to from 8 to 11 per cent. of the total national income. The Beveridge plan in Great Britain contemplates the use of 10 per cent. of the national income for social security in the first year, with a gradually increasing percentage in subsequent years. Even if social security costs rise more rapidly than the national income, a maximum of 12.5 per cent. of the national income is considered ample. Similarly the American plan as embodied in the Elliot Bill calls for the establishment of a fund by the use of 12 per cent. of the national income. Application of the Beveridge proposals to Canada would result in the calculated sum of from \$800 to \$900 millions. Marsh estimates that the total cost of his recommendations would be about \$900,000,000. This cost related to the 1942 national income of \$7,150,944,000 indicates that 12.5 per cent. of the national income in that year would have been devoted to the provision of social services. This national income is, relative to pre-war years, extremely high. For example, the national income in 1929 amounted to \$5,148,728,000; in 1933 it was \$2,794,772,000. If the national income were lower, the proportion of the cost of social services would be much higher, and this proportion would be further increased by the extension in several social service costs such as unemployment insurance. The height of the national income in post-war years is largely a matter of conjecture. Marsh has assumed an income of eight billion dollars, which, for purposes of illustration, is satisfactory. Marsh also assumes the total cost of social security will amount to one billion dollars or approximately 12.5 per cent. of the assumed national income.

A calculation of the cost to Saskatchewan of the social security measures outlined in this Report is presented below. This calculation is subject to all the difficulties mentioned for the Dominion calculation. The costs of important items in present social security measures as reported for 1942-43 are shown in Table 1.

TABLE I.
Provincial Government Costs of Social Security in Saskatchewan, 1942-43

Old Age Pensions } Total \$3,048,131 {	Prov. share\$ 897,846
Blind Pensions } {	Prov. share 22,686
Public Health:	
Battleford Mental Hospital.....	\$ 326,537
Weyburn Mental Hospital.....	321,353
Psychopathic Ward	4,473
Other Public Health	1,101,141
	1,753,504
Mental Hospitals (Public Works).....	895,599
Bureau of Child Protection:	
Mothers' Allowances	509,619
Child Welfare	108,818
Other	46,011
	664,448
Industrial School for Boys.....	29,244
Direct Relief (payments made in fiscal year)	1,034,117
	\$ 5,297,444

For comparison, the estimated cost of the various recommendations is shown in Table II. The calculation is based on the assumption that at the time of the inauguration of the social security plan in

Saskatchewan the numbers in particular groups, as for example the number receiving mothers' allowances, will be the same as they were in 1942-43. This is merely illustrative of probable conditions.

TABLE II.
Approximate Costs of Recommended Proposals in Saskatchewan

Old age Pensions (a) Provincial Share	\$ 2,820,000
Blind Pensions (b) Provincial Share	50,000
Administration	125,000
Public Health:	
Battleford Mental Hospital.....	295,000
Weyburn Mental Hospital.....	345,000
New Mental Hospital.....	295,000
Mental Defectives Institution.....	295,000
Cancer	125,000
Department Public Health	1,642,000
Health Units	500,000
Mental Hygiene Clinics (2).....	50,000
Public Works:	
Maintenance Battleford and Weyburn Mental Hospitals....	700,000
Maintenance New Mental Hospital.....	450,000
Maintenance Mental Defectives Institution.....	250,000
Bureau of Child Protection:	
Mothers' Allowances (c)	1,020,000
Child Welfare (d)	125,000
Other (d)	60,000
Health Insurance (Administration only) (e).....	2,000,000
Total	\$11,147,000

- (a) Increase due to increased rate of benefits and reduction of qualification age from 70 to 65 for men and 60 for women calculated on 1941-42 age distribution.
- (b) Roughly estimated—insufficient data available to make accurate estimate.
- (c) Increase due to change of rate calculated on same number of beneficiaries.
- (d) Allowance made for improved services and higher salaries for more completely trained personnel.
- (e) Only includes estimated administration costs. See Part XI. for full discussion of financing health insurance.

The above statement does not include all proposed social security costs. No allowance has been made for instance for debt charges on the necessary buildings involved nor have possible future relief costs been estimated as they are contingent upon factors quite unpredictable. Likewise no estimates have been included for the operation of recommended training schools for boys and girls, Borstal institution, heart clinics, nursing homes for the aged and incurable or a programme of security measures for the physically handicapped.

The cost of social services appears extremely high. The national cost of \$1,000,000,000 (which includes family allowances) appears to constitute a large proportion of the national income. It must be realized, however, that these costs are by no means entirely new costs, that governments have had substantial social security costs before, whether under that name or not. The budgetary figures for existing social services in Saskatchewan have been listed.

Dr. Grauer made a comment relevant to this matter:(1)

"When it is realized that over \$1,000,000,000 has been spent by Canadian Governments during the short space of this depression on unemployment relief alone, the weight of the present burden of social insecurity upon public treasuries can be appreciated as a really staggering one. The costs of social security are, therefore, now being met but in an unplanned and wasteful way, and with no thought of keeping up the physical efficiency of the working force of the country. Furthermore, they fall heaviest during times of depression, the very time that business and the country at large can least afford to carry them, and consequently retard recovery. The concealed costs of delayed recovery may be enormous and they affect all classes of the people."

Absence of social security measures, or inadequacy thereof, do not signify absence of social costs. These are "concealed costs", wholly incalculable but none the less real, such as those associated with the deterioration of labour supply during periods of unemployment, the low efficiency of the labour supply due to inadequate living standards, the cost arising from the immobility of labour which is high in the numerically important class of seasonal workers, and in reference to the high cost of unemployment, which has characterized the Canadian economy. The incalculable nature of these costs has resulted in them being ignored. The result has been a tendency to over-emphasize the costs of a social security scheme designed to prevent such costs. On balance, the incalculable costs, present government expenditures, and the costs provided by municipal and church organizations must be subtracted from the proposed costs of the new social security scheme. A substantial difference may remain, but this difference must be expected due to the increase in standards provided. The total cost of social security seems high because it is regulated and directed through the channels of public finance. The advantages of centralizing the costs, and of collecting

them through government taxation are demonstrable. Centralization of control permits the maintenance of uniform standards, ensures that benefits will be granted when they are necessary, and provides for raising the necessary revenues in the most economic manner possible. The following section deals with the various methods of financing the proposed expenditures.

Comparison of Costs and Revenues

Under the British North America Act, 1867, the Dominion Government has the power of both direct and indirect taxation. The provincial governments are restricted to direct taxation. In the constitutional recommendations in this Report it is suggested that the Dominion Government be given control of income, corporation, and succession taxes. If these tax sources are added to the present Dominion taxation base, the Dominion Government will have control over the main financial resources. Furthermore, Dominion Government control over banking facilities, trade and commerce make it the logical seat of economic control in Canada. Division of financial powers is fundamental in considering the possibilities of financing the social security plan.

The Saskatchewan cost for social security measures listed amounted to \$5,300,000 in 1942-43. The cost of implementing the recommendations amounts to over \$11,100,000. That is, an increase in Government revenues of over \$5,800,000, will be required to finance the Provincial share in the national social security scheme. A survey of the financial resources of the Saskatchewan Government indicates that it would be difficult for the Province to raise such an amount without resorting to substantially higher taxation, particularly as it must be borne in mind that the taxpayers will in addition be under the necessity of paying for the health insurance measure as a separate levy and through additional taxation on income.

In spite of the difficulty of Saskatchewan financing these proposals except at increased tax rates, it is recommended that particular aspects of the social security plan such as old age pensions and maternity grants should be under provincial rather than Dominion control because of the advantages of localized administration. Therefore, it is recommended that the Dominion Government make specific grants to the provinces to cover the costs of the proposed social services. The economic feasibility of such a scheme is analyzed below. The advantage of such a system of national adjustment grants is that it allows the maintenance of a national minimum standard. Experience in the depression of the 1930's showed that the burden of unemployment was not too heavy to be borne on a national scale, but that an attempted division of revenue sources on

(1) Grauer, A. E., "Public Assistance and Social Insurance." Report of the Rowell-Sirois Commission, Appendix 6, p. 66.

a regional basis could not provide a base strong enough to bear the burden caused by the impact of a depression in specific regions. The highly specialized nature of the Canadian economy, and the fact that the primary industries are highly dependent upon foreign markets and climatic conditions dictates the certainty of fluctuation in specific regions. The whole economy can, however, maintain a standard which, while not as high as desirable, is at least sufficient to retain the entire population at the subsistence level. This is not true of the separate regional areas operating independently as illustrated by the plight of Saskatchewan in the depression of the last decade. While it is possible to make gradual adjustments to these variations by the migration of all the productive factors except land, it was demonstrated in the 1930's that such adjustments are intensely costly in terms of human suffering and sacrifice.

The problem of regional variation is not created by local causes. Causes lie in national and international trade cycles, which are, to some extent, aggravated by climatic cycles. Extreme and erratic fluctuations in these causes produce burdens which seldom fall with equal weight on different provinces. The provision of subsistence during periods of fluctuation is necessary but remedial policies should be stressed. The responsibility for such remedial policies must of necessity lie with the Dominion Government because the solution of economic fluctuations demands the co-ordination of national weapons—monetary and exchange policy, national taxation and deficit financing, trade and tariff policy. For these reasons the Council recommends the assumption by the Dominion Government of financial responsibility for national adjustment grants to facilitate the provision of a portion of the social services on a provincial basis. Such grants should be provided through an administrative system capable of estimating accurately the needs of the provinces. Past experience has illustrated the harmful effects occasioned by leaving provincial grants to ministers subject to political pressures.

The Dominion Government, then, must have revenues adequate to cover the costs

of social security measures for which it is directly responsible as well as to provide provincial governments with the necessary grants. Dr. Marsh estimates the Dominion's share for post-war social security at approximately \$900,000,000 annually. Of this amount, however, \$400,000,000 would come from premiums or contributions and \$500,000,000 would require to be financed by tax revenues. It is impossible to estimate the provincial grants in aid.

The burden of social security charges depends on the relation between government expenditure and the national income. Tax burdens for the three levels of Canadian government totalled \$663,342,000 in 1930, compared with a national income of \$4,325,800,000. In 1935 the comparable figures were \$693,000,000 at least and \$3,381,400,000. The ratio of taxation to national income, then, in 1930 was 15.3 per cent. and in 1935, 20.5 per cent. In 1936 Dominion and provincial expenditures on current account were \$652,000,000 including \$199,000,000 for public welfare and \$216,000,000 for debt service charges. Net debt charges, however, are increasing, particularly on the Dominion level, with one-half of present war costs being financed by borrowings. In 1942-43 Dominion net debt service charges approximated \$160,000,000. Dr. Marsh assumes that in the post-war years ordinary governmental expenditures may increase by 25 per cent. Taking account of this increase he estimates the post-war Dominion budget to equal \$2,212,000,000 made up as follows: ordinary expenditures, \$712,000,000; social services, \$500,000,000; and public works expenditures, \$1,000,000,000.

Adding provincial and municipal expenditures to this, the total would approach \$3,000,000,000. Public works expenditures, however, should not be financed through taxation, so that a post-war tax programme of \$2,000,000,000 would be the approximate item to be contemplated.

The total expenditures of the Dominion Government have expanded with the extension of the war. The yearly expenditures calculated on the basis of the fiscal year ended March 31st are indicated.

TABLE III.
Total Expenditure of Dominion Government, 1939-1944

Year	Amount
1939	\$ 553,100,000
1940	680,800,000
1941	1,249,600,000
1942	1,885,100,000
1943	4,387,100,000
1944	5,360,122,000

Dominion revenues during the war have increased immensely to provide for the increased expenditures. Borrowing has been resorted to, but taxation for the purpose of controlling inflation and financing expenditures has been increased and

broadened. A thorough revision of the tax structure including the innovation of Federal succession duties and an increase of both personal and corporate income tax rates yielded greatly increased revenues. The revenues produced by Federal taxation are indicated below.

TABLE IV. (a)
Main Federal Revenues, 1939-1944

Tax	1939	1940	1941	1942	1943	Estimated 1944
	\$000	\$000	\$000	\$000	\$000	\$000
Custom Duties	78,751	104,301	130,757	142,392	118,963	167,882
Excise Duties	51,314	61,032	88,608	110,091	138,721	142,124
Excess Profits Tax			23,995	135,168	454,581	468,718
Income Tax (b)	142,026	134,449	220,471	510,244	910,189	1,151,757
Succession Duties				6,957	13,273	15,020
National Defence Tax (d)			27,672			
Excise Taxes	165,498	169,703	289,002	463,795	506,261	672,960
Refundable Portion Excess Profits & Income Taxes					-70,000	-155,000
TOTAL REVENUE (c)	502,171	562,094	872,169	1,488,536	2,249,496	2,700,701

(a) Adapted from Business Year Book, 1944, p. 34, and Appendices to Budgets 1943-44 and 1944-45.

(b) Includes corporation income tax.

(c) Includes all tax and non-tax revenues, borrowings excepted.

(d) Included under Income Tax 1942-43-44.

Total revenues for provincial and municipal governments are indicated in the following table:

TABLE V.
Provincial and Municipal Revenues

Province	Provincial (1940) (a)	Municipal (1943) (b)
	(000)	(000)
Prince Edward Island	\$ 2,030	\$ 500
Nova Scotia	16,444	10,100
New Brunswick	12,460	7,700
Quebec	59,154	89,600
Ontario	106,385	122,900
Manitoba	20,223	20,500
Saskatchewan	25,003	23,600
Alberta	24,410	22,200
British Columbia	36,417	24,700
	\$302,526	\$321,900 (*)

(*) Column does not add exactly due to smoothing to round figures.

(a) Canada Year Book, 1942, pp. 784-5.

(b) Business Year Book, 1944, p. 35.

In summary, then total revenue of Dominion, provincial and municipal governments amounts to approximately \$2,875,000,000.(1) Estimates indicate that the total costs of post-war governmental services including social services in Canada—Dominion, provincial and municipal—may

approximate \$2,000,000,000. This leaves a margin of \$875,000,000 or 30 per cent. in which post-war reduction of taxes is possible.

(1) Figures for the Dominion and Municipal Governments for 1943; provincial governments, 1940.

Possible Sources of Required Revenues

Dr. Marsh estimates that \$400,000,000 will be forthcoming from direct contributions to such social security measures as unemployment insurance, health insurance and old age pensions. Contributions constitute a fixed charge upon the income of the contributors, and these fixed charges are not graduated with the exception of the unemployment insurance contribution. As a fixed charge upon incomes, the burden of contributions rests much more heavily upon the low than the high income groups in the community. In economic terms, flat rate contributions are regressive. People who receive the most benefit from social security benefits bear the greatest burden in making the prerequisite contributions. For example, the necessary \$10 to \$12 registration fee for each member of the family for health insurance, while resulting in maximum benefits for large families would also result in the greatest burden inasmuch as it would, being in the nature of a regressive tax, press most heavily on the low incomes usually associated with larger families.

People who have the most to gain from social service benefits often are not able to make antecedent provision for such contingencies. For example, the extension of unemployment insurance to cover seasonal workers, would, if the scheme were financed entirely by contributions, place a heavy burden on such workers during a period of employment. If contributions determine benefits, the rates of contribution for seasonal workers must be very high in order to assure sufficient benefits during frequent periods of unemployment. Such contributions would throw a heavy burden upon the traditionally low-paid seasonal workers. If, however, the rate of contribution is kept low during employment, and if benefits must be financed wholly through contributions, the rates of benefits will be so low during unemployment, as to prohibit the possibility of maintaining the necessary minimum standards, and will certainly prevent mobility of labour so necessary for regaining employment. Thus, while a certain amount of the revenues should be raised by contributions, the self-sustaining features of a social service programme are definitely limited. A certain part of these objections is overcome when the contribution principle is assessed in terms of a comprehensive social security scheme involving family allowances, but the general burden could be distributed in a more equitable manner from the viewpoint of sacrifice by means of tax finance. The burden of taxation varies inversely with the amount of the individual's income. A flat tax of \$10 will create more disutility for a man with an income of \$100 a month than it will for a man with an income of \$500 a month. This is because, in the case of the man with the low income, the last \$10 produces a greater psychological

satisfaction than the last \$10 in the case of the man with the higher income. Thus to deprive both men of the same amount results in the greater burden falling upon the low paid man. This is the effect of a flat rate of contribution, and while the value of contributions from an actuarial viewpoint is stressed, the Council recommends that its use be limited.

As a general principle the Council recommends that national taxation is the best source of the funds necessary for provision of social security legislation. Several methods of taxation are now being used to raise government revenues. Some taxes are more advantageous from the economic standpoint of maximum satisfaction of wants by limited means than are others. A review of the chief advantages or disadvantages follows.

Succession duties are the least painful because they do not deprive a person of benefits from his productive efforts. They are advantageous because they can be graduated extensively in accordance with the now generally accepted principle of relating the rates of taxation to the ability to pay. The productivity of this tax has not been sufficient to finance any significant portion of the proposed social security scheme. Before 1942 the Dominion and the provinces competed in this field to the detriment of both. In 1942-43 Dominion taxation in the succession field realized about \$13,000,000; provincial income from the same source in 1937, the most productive year, amounted to an estimated \$35,000,000. While these figures would seemingly indicate the impracticability of succession duties as a means of financing social security, the picture as represented is not entirely accurate. Because of provincial and Dominion jurisdiction, neither government can use high rates. That is if a province has a 20 per cent. rate, the Dominion rate has to be set in relation to this. Consequently the psychological effect has been to depress Canadian rates considerably below relative foreign standards. If the power to levy succession taxes is made the sole right of the Dominion Government, a substantial increase in rates and a concomitant increase in productivity can be reasonably expected. A substantial increase in revenue productivity would aid the financing of social security.

The sales tax at the present time is levied at a rate of 8 per cent. on the sales of manufacturers, producers or importers. In the past it has been an important revenue producer as indicated by its contribution of \$250,478,000 to the Dominion Treasury in 1943. Taxes, imposed as this is, are expenses inevitably affecting the cost of production. In the long run the increased cost of production results in a decreased supply and thus an increased price. By this means then the consumer ultimately bears the full burden of the tax. In the

short run the incidence of the tax depends upon the elasticities of demand and supply. General conclusions are impossible; conclusions for particular industries can be made, but depend upon extensive statistical analysis. Empirically it is evident that a tax upon the "necessities of life" tends to be included in the selling price of the goods, while a tax upon "luxuries" tends to be paid by the producer because, if a tax were included in the selling price of a luxury, the rise in price would result in a more than proportionate decrease in the quantity of the product sold. The effects of the tax are harmful whether the incidence is upon the consumer or the producer. As a result of the rapid price rise in the period between the outbreak of war and the establishment of the price ceiling it is probable that the incidence of the sales tax is on the consumers at the present time. During this period when effective demand increased more rapidly than supply the probability is that manufacturers and other producers took the opportunity offered to shift the tax to consumers. Once the shifting has taken place it is difficult, if not impossible, to make the producers bear the burden of the tax without a prolonged or severe depression. Recommended policies are aimed at preventing depression so that it is likely that the incidence of the tax will remain upon the consumer. The Council does not consider an increase in the rate of the regressive sales tax desirable. It would be distinctly harmful as a method of financing a social security scheme.

The personal income tax is one of the main sources of public revenue at present. The aim of a social security programme is to ensure the maintenance of a national minimum standard. As that national minimum has not been maintained in the past because of lack of individual funds it is impossible to establish a social service programme without making some classes bear a greater than proportionate share of the costs. The essence of a guaranteed national minimum is that a group of people will receive more than they contribute. With this in mind methods of finance must be used which tax the higher income group in the community. The income tax, because of the opportunities for graduation offered, presents an excellent economic instrument to ensure the redistribution of income from the high to the low income group. The yield of the Canadian personal income tax for the fiscal year just completed is estimated to have risen to \$813,047,000. This yield varies directly with the rate structure and with the national income, of course, and so it is likely that with the psychologically necessary reduction in tax rates and the probable decrease in the national income after the war, the yield will be decreased. Nevertheless the income tax should bear a good proportion of the costs of social security.

The corporation tax has proved a source of considerable revenue during the war years. The effect of a corporation tax on the extension of investment is worthy of analysis because if the tax is not charged at an equal rate on all industry it will tend to discourage extension in certain fields. If the corporation on which higher rates are charged pays out of accumulated profits in order to maintain dividends, that amount will not be available for capital extensions. If the tax is paid out of current profits, dividends accruing to the shareholder will be reduced. The corporation provides a convenient instrument for the collection of substantial tax revenues in comparatively large individual amounts. Corporation income taxes and excess profits taxes do not increase costs of production. They are levied on net income. Yet it must be borne in mind that the various forms of corporation income taxes, such as the corporation taxes today, are but additional levies in the field of personal income tax since they reduce the personal income of shareholders. Income received in the form of dividends from corporations, then, is subjected to a double tax levy. Any nicely graduated schedule of rates and exemptions for personal income tax purposes becomes quite meaningless to the extent that income has been received from corporate activities and hence has already been subjected to the arbitrary levies of the corporation income tax. Government can not overlook the popular support of taxes upon corporations. Such support renders corporation taxes highly satisfactory from a political standpoint. From an economic standpoint their desirability is much less certain.

Custom duties and foreign exchange taxes have also contributed to Dominion revenues. Both are limited as revenue producers. Firstly, the foreign exchange tax, necessitated by the war, has functioned to restrict the shortage of American funds. In the post-war world it is probable that the pre-war habit of exchange clearance, whereby Americans accepted our surplus supply of British pounds will be reinstated. If the current White or Keynes plans for international exchange settlement are inaugurated the exchange tax will disappear. This tax has been mainly a monetary weapon, and probably will be dispensed with in the post-war years. Secondly, both customs duties and exchange taxes are effective only up to a certain height. After they reach that height they exclude foreign merchandise from Canada and no revenue results. Furthermore, as Canada is highly dependent upon world trade, the use of customs duties which detract from freedom of trade is not conducive to Canadian economic welfare. Therefore, from the aspect of financing social security, customs duties and exchange tax are limited in revenue production, and in addition, they are detrimental to maintaining or increasing the national income.

The personal income tax holds the most promise as a source of funds with which to finance an expanded social security programme. Succession duties also hold considerable prospects. Corporation income taxes, whether on excess or ordinary profits, may be utilized effectively but their chief justification is that of political expediency. The sales tax, other excise taxes and customs duties have yielded substantial revenues, particularly during war time. Their effects upon the economy are generally such, however, that reductions and in some cases removals rather than increases are desirable in this field. Income and corporation taxes and succession duties should be turned over exclusively to the Dominion Government.

SOCIAL SECURITY AND FULL EMPLOYMENT

Introduction

Beveridge remarks that:

"A satisfactory scheme of social insurance assumes the maintenance of employment and the prevention of mass unemployment. . . . Income security which is all that can be given by social insurance is so inadequate a provision for human happiness that to put it forward by itself as a sole or principal measure of reconstruction hardly seems worth doing. It should be accompanied by an announced determination to use the powers of the State to whatever extent may prove necessary to ensure for all, not indeed absolute continuity of work, but a reasonable chance of productive employment."⁽¹⁾

Marsh on the other hand, weaves employment and social security into a highly intricate pattern. He states:

"The first positive measure in providing social security, therefore, is a programme which will make work available, or, in other words, which will offer wages rather than subsistence maintenance to the farthest extent to which it is possible."

In speaking of his social security plan Dr. Marsh assumes an additional cost of \$1,000,000,000 to be used for the provision of public works during the reconversion period. Financing social security during the early stages by contributions or by national taxation is deflationary. The essence of public works projects designed to extend employment is inflation. To mix these two completely incompatible policies into one programme would probably result

in the cancellation of the beneficial results of both.

Dr. Marsh obviously overlooks the experience of the last war. In the U.S. the tremendous boom characteristic of 1919-1920 was based on three conditions. Firstly, there was a shortage of capital equipment resulting in a greater volume of capital investment from September 1919 to September 1920, than in any year during the war or during any year of the prosperous 1920's. Secondly, there was a hurried accumulation of raw materials, and a strong trend towards the rapid building up of inventories. Thirdly, there was an expansion in the exportation of agricultural products to Europe. The situation in Canada will be similar in the immediate post-war period. There will be large accumulated shortages of automobiles, household equipment, and electrical appliances. There will be large accumulated shortages in housing, plant and equipment for peace-time industries. On this basis we may expect a boom. Furthermore, there will be an abundance of loan funds available for both consumption and investment. The immediate redemption of bonds and certificates, the return of the recoverable portion of compulsory savings and of excess profits, and the high level of both wages and profits will result in a plethora of both investment and consumption capital. The trend will be towards inflation with a rapid extension of industry to satisfy the effective demand for consumers' goods. The rapid technological advance of the war will result in investment opportunities beckoning available investment capital. Under such conditions a public works programme would add to the already inflationary conditions.

Marsh suggests a public works programme to ensure full employment. His main concern is with the reconversion period, and with the danger during that period that the "tooling up" process will not be rapid enough to absorb the unemployed. Rather than provide public works which will aggravate the inflationary tendencies, extensive and detailed plans for reconversion will allow the healthy expansion of private investment. The United States has been, and is, drawing up plans (2) for reconversion with the hope that the reconversion programme starting at present, will be well developed by the end of the war, and will be expanding so rapidly at that time that it will be able to absorb manpower as rapidly as it becomes available.

Such an alternative is preferable to extensive public works because it will not exaggerate the over-expansion which will tend to develop.

(2) See Report on War and Post-War Adjustment Policies, B. M. Baruch and J. M. Handcock. The Truman Committee and a special Committee of the Senate have also made reports in the last two months.

(1) Beveridge Report, p. 163.

Employment Fluctuations— Types and Causes

The three types of unemployment have been classified as structural, seasonal, and cyclical. The first two are largely unavoidable, and moreover, are highly necessary for a dynamic Canadian economy. Structural unemployment consists of unemployment due to changes in industrial techniques necessitating re-training or geographical redistribution of part of the labour force. Such unemployment is an inherent part of a progressive economy, and so full employment aims do not include the curtailment of this class. Seasonality of Canadian primary industries demands a substantial, fluid supply of labour. Statistics show that the highest level of employment is reached in August and September, when the number of employees is from ten to twenty per cent. above that in January. Most of the seasonal industries require unskilled or semi-skilled labour so that partial unemployment presents both a persistent and difficult problem. The only apparent solution lies in an employment service which is highly efficient, and which has the requisite facilities to guarantee mobility of this unskilled force. The employment of seasonal workers again lies outside the policies advocated to provide full employment.

Cyclical unemployment has caused the greatest trouble in the past, and demands the most persistent and boldest attempts at solution. When the economic system is in equilibrium the amount of saving is just sufficient to provide investment funds to finance the extension of capital equipment and to bridge the time-gap necessitated by production entailing extensive division of labour; that is the rate of investment is equal to the rate of saving. Saving habits are fairly constant and tend to remain so because of contractual savings such as insurance and annuity premiums, and contractual capital payments such as the payment of mortgages. Investment depends upon confidence in the attainment of a profit margin, but in the past, periodic breakdowns of confidence have led to incomplete utilization of savings. When savings are not invested by the owner, or lent to another investor, these savings become useless to the rest of the economy because they do not flow into the normal channel of funds available for consumption. As a result consumption goods lie idle upon the retailers' shelves, capital equipment which might have been built is not demanded; and men who would have worked to replace the retailers' stocks or construct the capital equipment are unemployed. As a result of the loss of business confidence the economy passes into the downward phase of the business cycle. As unemployment spreads, the amount available for consumption decreases, further destroying business confidence and resulting in a further contraction in the amount

of investment. The downward phase continues till the trough of the depression is reached.

Business stability requires a balance between the amount invested and the amount saved. If the saving habits of the people remain constant, and if investment outlays, dependent on business confidence, are changeable, equality between the rate of saving and the rate of current investment will occur only occasionally and fortuitously. As possibilities for full employment are conditioned necessarily by these rates being equal, our concern is to implement policies that will make them balance.

Government Policy and Full Employment

Government aids to full employment consist of all the major economic weapons—interest rate and banking policies, trade and commercial policies, and fiscal policy.

Monetary theorists have argued that at the beginning of a depression the interest rate will fall as the volume of savings increases, and that this fall in the rate will cause an increase in investment. According to this argument if the interest rate is left free to fluctuate, the changes in the cost of investment resulting from these fluctuations will provide sufficient incentive to maintain the amount of investment. In spite of the theoretical possibilities of such an argument the fact remains that fluctuations in the rate of interest in the past have not provided sufficient incentive to increase investment, with the result that investment funds have remained idle. The effect of the interest rate on the cost of investment is not denied, and so considerable importance must be attached to its position when considering full employment possibilities. However, the interest rate itself is not sufficient to control investment, and so other means must be considered.

Control of the interest rate must be considered as part of general banking policies. Banking policy, if aimed at minimizing fluctuations in the business cycle, should be designed to grant ample credit at low rates of interest during a depression, and to restrict credit by raising the interest rate or by requiring better security during the prosperity phase. The central bank has three main instruments with which to bring about such conditions. The central bank is in a position to affect directly the reserves, and thus the credit granting facilities of the chartered banks by means of "open market" operations. In a depression, if the central bank buys securities, the amount of their selling price will be deposited, in time, in the chartered banks. This will increase the reserves of these banks, and thus provide the possibility of an extension of credit. On the other

hand, during the prosperity phase the bank can sell securities. The funds received in payment for such sales will be taken, ultimately, from the reserves of the individual chartered banks, thus forcing the banks to contract credit. The central bank also has a powerful instrument in its control of the rediscount rate. The rediscount rate is the charge the central bank enforces for the rediscounting of commercial paper from the chartered banks. As this rate goes down, chartered banks are in a better position to extend credit, but on the other hand if the rediscount rate is raised it is more difficult for the chartered banks to extend credit. A further possibility for central bank control results from the respect the chartered banks have for the business judgment of those in charge of central bank policy. If the central bank advises either contraction or expansion of credit it is probable that the chartered banks will follow the advice offered.

Banking policy as a whole can be designed to facilitate investment maintenance. It is important to note that banking policy, in itself, can do nothing except present the possibilities for investment expansion. Banking policies are a passive part of full employment—they are necessary for it, but they cannot provide it.

Another important factor influencing full employment is the trade and commercial policies of the Government. It is impossible for Canada to achieve full employment unless Great Britain and the United States, the principal buyers of our exports, have also achieved this goal. Moreover, the impact of each country's internal recovery must be allowed to spread to other countries by means of international trade. These fundamentals are necessary, because if our customers are not prosperous they will buy fewer Canadian exports, and our export prices will fall. Under such circumstances the export section of our economy, which is a large proportion of the whole, would be depressed permanently, or until our markets revived. If we are to attain full employment it is desirable that we make every effort to increase our foreign trade.

If the United States and Great Britain do not carry out expansionist programmes a Canadian full-employment programme must stress aid to exporters as well as aid to domestic investment. This aid can be given by means of direct subsidies to export producers. Another method of giving aid would be by depreciation of the Canadian dollar abroad.⁽¹⁾ The burden of such a

method falls upon debtors who must make interest or capital payments in the expensive foreign currency. A third method of aiding export producers, the lowering of production costs, is definitely a long-run proposal. Such a reduction to prove effective must extend over the whole field of labour, capital equipment, raw materials, taxes and freight rates. The extent of this field makes it impossible for the government to interfere directly; indirect aid can be given through a deflationary credit policy but it is a long and painful process. The depression of the 1930's was a period of readjustment in the cost-price structure. Such periods are to be avoided if possible.

Tariff policy plays an important part in government trade and commercial policy. Lengthy, and mainly abortive attempts have been made in the past to reduce tariffs, and the only conclusion evident is that as a method of curing sudden dislocations in the economy, little is to be expected. In the long-run Canada, being highly dependent upon export, must necessarily receive payments in imports. While this is granted from an economic standpoint, acceptance of the principle has so far been rejected because of the political importance of the tariff-protected industries. Advantages of free trade do not appeal to these industries, but as full employment demands either free trade or support of export industries by subsidies, depreciation, or readjustment of cost, protected industries are going to have to bear the burden directly or indirectly. The choice between less protection or higher taxes will be determined by political rather than by economic factors. Extension of international trade by encouraging free trade would be the simpler, and the more stable, means of securing full employment.

Fiscal policy is the third government instrument which can be utilized to attain full employment. In recent years there has been increasing realization that fiscal policy, which directs the use of expenditure, debt, and taxation, is a powerful prime mover, and must, of necessity, be subject to deliberate control. In equilibrium the rate of investment is equal to the rate of saving. In disequilibrium, when these rates are not equal, fiscal policy must be not the main directing force of the economy, but rather a balancing factor, and sometimes it must be used as a brake rather than as a stimulant. The key to full employment lies essentially in the field of capital or investment expenditures because investment is the dynamic and controlling segment of the economy. The state needs to enter into the investment area in a much larger way than it has in the past if full employment is to be ensured.

The essence of a depression as outlined above is a decline in investment. If we are going to achieve full employment, the state must enter as a balancing wheel and engage boldly in large public development

(1) Competitive depreciation such as this would be ruled out under plans for international monetary stabilization as proposed by Keynes and White. Such plans are proposed to facilitate free international trade so that subsidies, depreciation or readjustment of costs would be unnecessary to attain full employment.

and improvement projects as a counter-weight against impending depression. Saturation of investment opportunities has appeared at various times in the past. When such saturation occurs, the state must, if it is going to maintain full employment, keep up the rate of investment by engaging in investment. State investment is not a permanent factor but rather a balancing weight to offset the reduction in private investment. Its aim should not only be to maintain the amount of investment, but at the same time to provide an incentive for corporations and private individuals to resume their investment. To do this the state must select projects that do not interfere with private investment opportunities, or do not threaten private industry which is already established. Positively, state public works which provide investment opportunities for private enterprise are the most praiseworthy. For example some of the public works projects recommended for Saskatchewan would induce considerable secondary investment. Government investment to provide producer gas would encourage private investment in pottery and glass manufacturing, certain tempering and annealing plants, and in other chemical equipment. An irrigation scheme would lead to investment in starch and sugar, meat packing, and condensed milk plants.

The extent of government investment necessary is not as wide as would at first be thought necessary. Government expenditure provides more support to the economy than the immediate employment provided owing to the "multiplier" principle. In a public works project, for example, there is the "on-site" employment resulting from the actual construction. "Off-site" employment results from the necessity of manufacturing the materials and the capital equipment used in the actual construction. Further employment results from the disbursement of wages earned in the direct employment and comprises the provision of goods and services for the workers employed in "on-site" and "off-site" employment. Still further employment is induced by the necessity of providing capital goods to manufacture the goods and services required by the "on-site" labourers. When the concept of the multiplier is placed along side the induced increase in private investment resulting from suitable public works an optimistic viewpoint can be adopted in regard to the possibilities of maintaining full employment.

The answer to the question of whether government investments can offset the decline in private investment is not as reassuring as the conditions described above would suggest. There are several reasons why government expenditures may fail to provide the balancing amount necessary. Firstly, although the government can secure the funds it is difficult to get them into investment quickly enough

or in large enough quantities. Speed is lacking because governments move slowly and preliminary plans are not available; quantity is lacking because current social philosophy limits the fields of government enterprise. Secondly, reduction in private investment is not confined to capital expenditures alone, but also includes reduced purchases of raw materials. To prevent reduction in this type of investment it may be necessary to reduce taxation on inventories and reduce transportation charges. In the past, government attempts to maintain spending in these fields have been a failure. Thirdly, public spending may reduce business confidence and so result in an even greater and perhaps a more than offsetting decline in private investment. This lack of confidence results from the growth of the national debt, which business men regard as demanding future surplus budgeting, or from government penetration into fields formerly occupied solely by private enterprise. Fourthly, public confidence may be reduced by tariff wars or price maintenance schemes. Fifthly, private investment may be discouraged by tax discrimination between equity and non-equity investments. Equity investments are investments in risk-bearing enterprise, and taxation on profits will tend to divert investment from a risky enterprise because the returns possible, being reduced by the amount of the taxation, are correspondingly less attractive than untaxed non-equity investment profits.

All of these dangers stress the importance of business confidence. The three types of government aid to full employment—banking policy, trade policy, and fiscal policy—must be integrated into a comprehensive scheme to maintain business confidence and the rate of investment. If investment is on the verge of falling off due to saturation of investment opportunities the rate of interest must be reduced, and business men must be made to believe that the reduction is part of a definite government policy to reduce costs; public works must be inaugurated immediately, and public works which will provide an extension of private investment opportunities; and finally, for the Canadian economy especially, prospects of international trade must look bright so that the important export section of the economy will expand. If all of these policies are carried out, and if they are carried out intensively and extensively enough, full employment can reasonably be expected.

It must be noted that the control of investment through the instruments of banking, trade, and fiscal policy demands centralized administration. If provincial governments interfere in any of these fields nothing but confusion and ineffectiveness can result. Full employment demands a unified, integrated use of all economic instruments; such a use can only be ensured by national government control.

Social Security Finance and the Business Cycle

The essence of state-provided social security benefits is the maintenance of a national minimum standard. Such a standard can only be maintained by the redistribution of income from the higher to the lower income groups.

Because the rate of saving is higher among the high than among the low-income group a graduated tax used to finance social security will have beneficial effects upon equalizing the rates of saving and the rate of investment. Although the marginal expenditures of both the high and the low-income groups may be used for saving, the extent of the margin for the higher income group is considerably greater. A progressive tax falling on marginal expenditures will thus considerably reduce the total volume of savings. This reduction in the volume of savings will not only help to maintain the balance between the rate of interest and the rate of investment, but will also tend to keep the amount of investment high. Funds paid out in the form of social security benefits will be paid to people in need of assistance and consequently to people who will spend all, or at least an extremely high proportion, of what they receive. If the rate of consumption is high it tends to induce a high rate of investment, because the latter rate is dependent upon the investors appraisal of market conditions. If the rate of consumption is high the market will look promising and consequently the rate of investment will tend to remain high. From the viewpoint of stabilizing fluctuations in employment, then the payment of social security payments will provide both minimum national standards and a preventive to a further decrease in the amount of employment.

The distribution of income over time will also be affected by social security finance. Without social security the income of the low-income group fluctuates considerably over time due to alternating periods of employment, unemployment and sickness. Under a scheme of social security benefits these fluctuations would be levelled out considerably, and the incomes will never fall below the national minimum. The amount of savings will be reduced for a two-fold reason. Firstly, redistribution of income at a point of time, will reduce saving. Secondly, the psychological effect of a guaranteed minimum will reduce the amount of saving of the lower income group, and even the amount in the upper income group if that minimum is sufficiently high. The reduction in the amount of saving will increase the amount of consumption funds available which will, in turn, induce increased investment.

Under the social security scheme many services will be partially financed by individual contributions. Illustrative of the benefits partially insured for by contribu-

tion are medical care, unemployment insurance, funeral benefits, old age pensions, maternity benefits, and industrial disability. It is certain that there will be wide variations both in the contributions received and in the benefits paid during the different phases of the business cycle. For example, unemployment benefits will probably exceed contributions during a depression, while contributions will exceed benefits during a prosperity phase. If the surplus funds paid in during the prosperity phase are allowed to lie idle they will have a restricting effect on unhealthy expansion. On the other hand the payment of benefits during a depression will tend to maintain consumption and thus the rate of investment.

If we assume, for example, that during a depression all funds (11 per cent. of the national income) used in social insurance are paid out in benefits and that during prosperity the funds devoted to social security are all paid in, in the form of contributions, there will be a tendency to level out fluctuations in the business cycle and thus in employment. Such payment of benefits would theoretically have kept Canada's national income appreciably above the low level to which it dropped in 1933. At the same time complete sterilization of the contributions to social security would have levelled out the peak of the national income during 1928-29. During the boom period in 1928-29 when national income was about \$5.1 billions, an 11 per cent. diversion to a social security plan would have reduced the national income by some \$566 millions to approximately the 1927 level. Application of the \$566 millions at the bottom of the depression in 1933 when the national income dropped to around \$2.8 billions would have raised the national income level to around the same point as prevailed in 1931 and 1935. These figures are based on an extreme assumption. Even during a depression some contributions would be paid in so the effect would not be as great as in the illustration above. However, the figures are indicative of the general levelling effect.

Social security economics can not be regarded as a panacea for all the troubles connected with fluctuations in employment. From the viewpoint of levelling out these fluctuations, social security is only one of the weapons to be utilized in the attempt. Banking policy, trade and commercial policies, fiscal policies, and social security economics must all be integrated if the final result is to be full employment.

Integration can only be achieved by Federal Government control.

Conclusion

The foregoing analysis indicates that the economy of the modern civilized world is a very complicated matter indeed. Keeping this fact in mind certain general deductions may be drawn.

In the first place it seems evident that human beings have not yet adjusted themselves to modern mass production and division of labour involving specialization. As a consequence economic crises involving serious dislocations of industry seem inevitable unless well-planned measures are taken to prevent their occurrence. These crises have brought human misery in the past and it is a reasonable supposition that a breakdown in the future may bring far more serious consequences. This is an unpleasant prospect, and without departing from the fundamental propositions contained in the earlier portions of this Report it is the opinion of the Council that governmental agencies should resort to planning so that economic dislocations may be avoided as far as possible. Moreover, it is believed that it is the will of the people that this planning should be resorted to and governments will be remiss in their duties if they delay in this matter. With this view in mind certain general policies have been indicated in this Part of the Report which, if adopted, should be at least partially effective in securing economic stability. It is realized that in the future, just as in the past, there will be much work of an experimental nature and governmental agencies will be faced with the temptation to adopt totalitarian measures. It is submitted that such measures would be fatal but that this danger should not operate to give governments an excuse for doing nothing.

In the second place it seems even more obvious that it is beyond the power of the Province of Saskatchewan to put plans into effect that will touch the deep underlying causes of depressions and economic dislocations. Much of an ameliorative nature can be done by the various agencies in the Province and a very large number of recommendations looking to that end are contained in the various Parts of this

Report. But effective economic controls must be national in scope. The Council, therefore, emphatically urges that the Government of Saskatchewan take a firm stand in the matter of securing the necessary constitutional and fiscal adjustments as between the Dominion and the provinces.

The following particular recommendations are also offered.

RECOMMENDATIONS

Unemployment Insurance

1. That consideration be given to extending the coverage of the Unemployment Insurance Act rendering it more comprehensive, and that agricultural and seasonal workers be given protection.
2. That unemployment due to sickness be insured against under the Act.
3. That benefit rates be raised and be subject to periodical review and adjustment in relation to living costs. In raising the rates, however, a reasonable differential should be maintained between benefits and wages.
4. That the increased cost of the adjusted benefits be borne by Dominion taxation.

Taxation

5. That in general the principle of national taxation for financing social security measures be adopted.
6. That taxation on incomes, corporations and the estates of deceased persons be the exclusive right of the Dominion Government.

PART XVII.

CONSTITUTIONAL ADJUSTMENTS

In various portions of this Report the position has been stressed that governments are institutions invented and evolved by human beings for the purpose of satisfying human needs. The normal criterion for all acts of governmental agencies must be the tendency of those acts to assist human beings in achieving satisfactory lives, and it is for the human beings themselves to make their choice of satisfactions.

It must be obvious to everyone that no governmental agency can hope to satisfy all the felt needs of all the human beings within the jurisdiction of that agency. Indeed the most optimistic hope of this Council is that through well designed government programmes of the various agencies working in co-operation supplemented by the efforts of the people themselves, life may become progressively more tolerable, and it has been with that end in view that various recommendations have been made.

In general the scheme of this Report has been to effect a redistribution of income through the provision of cultural and social services, through an improvement of the conditions of labour, including increased wages, and through achieving a greater security to the agricultural population by means of various stabilizing policies such as minimum floor prices. The general economy of the Province will be improved, it is hoped, through scientific research, the diversification of industry and the development of natural resources. It is hoped that the recommendations regarding rehabilitation will ensure that ex-service personnel will not suffer prejudice through service to their country.

The Council, however, wishes to emphasize the opinion already expressed that the economy of the Province is such that the best efforts of governmental agencies will fall far short of ensuring a satisfactory life to the people if Saskatchewan is to be considered as an independent unit. It should also be emphasized that present constitutional arrangements are such that neither Provincial nor Dominion authorities are in a position to deal effectively with present day problems.

The federal system of government which obtains in Canada cannot be commended as giving a maximum of convenience. This was recognized by Sir John Macdonald prior to the date of Con-

federation and he would have preferred that union should result in a unitary state. Sectional jealousies and ideologies were such, however, that a compromise was necessary and the federal form of union resulted under which legislative powers were distributed between the Dominion on the one hand and the provinces on the other.

The factors making for compromise are probably just as potent today as in 1867 and it seems safe to anticipate that the federal form of government will continue in Canada indefinitely. This is merely a circumstance to be reckoned with in the future, for while there are certain inconveniences attaching to the federal form of government, the same may be said concerning most forms of organization, and certainly a federal union is to be preferred to no union at all. Nevertheless, it is felt that the federal system should be made as workable as possible and that certain constitutional amendments should be sought without delay.

First perhaps in importance is the control over labour and labour relations which in the opinion of the Council should be under Dominion jurisdiction. In the first place, as has been stated earlier in the Report, it is highly desirable that the standards should be uniform throughout the nation, especially since the achieving of a high standard of living is largely dependent upon a satisfactory wage level. Then again labour and the opportunity for productive labour is closely related to other major powers now enjoyed by the Dominion. Finally, in the event of a major crisis through the paralysis of industry it is the Dominion alone that can deal with the matter effectively as for instance by assuming direct control.

In much the same way the Dominion should have a greater control over marketing, especially if it should become necessary to assume active control over prices at any period. Marketing is in a measure complementary to trade and commerce. It is believed, however, that concurrent jurisdiction with the provinces will suffice. The provinces may be able to co-operate in this field.

In the matter of social services, including education, it is believed that a workable arrangement can only be reached by close co-operation between the Dominion and the

provinces. It is felt that this co-operation can be made effective if the principle of delegation of powers be recognized.

The Dominion, as a treaty-making entity should have legislative capacity to implement its treaties and it will be recommended accordingly.

And finally, there must be a readjustment of Dominion-Provincial fiscal arrangements.

The Council therefore recommends that the Saskatchewan Government use its efforts to procure the following constitutional changes:

1. An amendment to the British North America Act giving to the Parliament of Canada exclusive legislative jurisdiction over labour including (a) wages, (b) hours of labour, (c) conditions of labour, (d) labour disputes, (e) unemployment and the responsibility for relieving against conditions consequent to unemployment.
2. That by a suitable amendment to the British North America Act the Dominion and the provinces be given concurrent jurisdiction over the field of marketing. In case of conflict Dominion legislation to prevail.
3. That an amendment be procured to the British North America Act making it abundantly clear that legislative jurisdiction may be delegated by the Dominion Parliament to a provincial parliament and vice versa.
4. That the Parliament of Canada be given power to implement treaty obligations.
5. That the present provisions of the British North America Act relating to the payment of subsidies be repealed. That there be substituted a provision for payment to the provinces of such sums from the Federal treasury as will enable the provinces to perform their constitutional obligations without resort to taxation higher than the Canadian average, such sums to be paid on the recommendation of an independent commission having full authority to make adequate investigations. That as a part of this readjustment the Dominion be given exclusive jurisdiction to levy income taxes, corporation taxes and succession duties.

PART XVIII.

SUMMARY OF RECOMMENDATIONS

General

It should be reiterated in the concluding portion of this Report that in the opinion of the Council all activities of government should be based upon a recognition of the infinite value of human beings. This involves the further proposition that the human beings affected are the best judges of their own needs and that governments should strive to satisfy a maximum of the felt needs and desires of those human beings.

In an earlier Part of this Report the opinion was expressed that the people of this Province desire a higher standard of living in terms of material things and greater cultural advantages coupled with a maximum of individual liberty. Implicit in the whole Report is the thought also that people desire general social security. In other words a high standard of living and great cultural advantages will not satisfy the felt need of human beings if these things are to be taken away from individuals in case of illness, accident or misfortune or from masses of individuals by economic crises or depressions.

To achieve a maximum of these material and cultural things for human beings without interruption and without a sacrifice of human freedom would, in the opinion of the Council, constitute reconstruction as that term has been used in The Saskatchewan Reconstruction Council Act. This will not be achieved in a few days or a few years. Perhaps instead of the term reconstruction we should speak of a continuous period of social construction based on a realization of human values. There is some ground for hoping, however, that changes for the better may be so marked in the next decade that the term reconstruction will be warranted. But if so, society must not rest. The crusade for the realization of human values must be continuous and eternal.

In the various parts of this Report a very large number of specific recommendations appear and it is believed that they conform to a coherent pattern. As a matter of analysis these recommendations may for convenience be placed under five heads.

1. **Constitutional adjustments.** These are designed to make governmental action possible in the realization of the ideal that has been put forward.

2. National development programme.

In the opinion of the Council it is both reasonable and imperative that the Dominion should undertake vast irrigation and power developments in this Province. In large part the unsatisfactory position of the economy of this Province is attributable to Federal policies in past years. The correction is plainly a national problem. The fact that hundreds of millions of dollars will be required is of little moment since the manpower and the materials will be available. In the past huge sums have been spent on developments in other parts of Canada at times when dollars had great significance. It is hoped that the Government of this Province will use every effort in the advancement of this argument.

3. Provincial development.

Through the employment of research and organization the resources of this Province may be so developed as to yield richer dividends for human enjoyment.

4. Standard of living.

In addition to an improved economy there should be a redistribution of wealth through higher wages and the provision of social services.

5. Intangible values.

These will be achieved through improved educational services, greater opportunity for leisure, parks, facilities for amusement, etc.

For convenience a very brief summary of the chief recommendations as they appear in the various Parts is set out below.

The Post-War Prospect

In Part IV an analysis of proposed construction projects is given in some detail.

Of paramount importance in bridging the period of transition from war to peace is the immediate preparation of plans in order that public works projects, particularly those from which long range economic benefits will accrue, may be ready to relieve any temporary unemployment situation if and when it should develop. The Council urges that the Provincial Government make strong representations to the Dominion Government for financial assistance to inaugurate those long range plans upon which the future welfare of Saskatchewan and Canada as a whole depends. It is also a necessary first step to formulate and announce policies for financial assistance in the form

of long-term low-interest loans to municipalities, in order that they may bring their plans to completion with some assurance that financial assistance will be forthcoming. Practical assistance to municipalities in town planning is also recommended and some measure of aid in designing water and sewage disposal systems in small urban centres advocated. A matter of considerable importance is the early release of technical personnel from military duties to aid in planning post-war projects and the Council recommends this be given early attention. Certain suggestions are also made regarding the disposition of Crown assets in order that the greatest value may accrue to the people from wartime buildings and equipment.

Agriculture

Recognizing agriculture as the basic industry of the Province, the Council considers it most important that efforts be directed toward the removal of the violent fluctuations that have marked the income of the farmers in the past and raising that income to a more satisfactory level than has been experienced heretofore. Accordingly recommendations are made respecting irrigation development, floor prices and crop insurance. Further extensions of the Prairie Farm Rehabilitation Act are also urged to bring the benefits of this legislation to the whole of the agricultural area and to intensify the efforts already under way. The importance of research in the development of sound agriculture has also been impressed upon the Council and accordingly it is recommended that additional research facilities be made available. Closely related to agriculture is the matter of reorganization of municipal boundaries in order that municipal institutions may function more effectively. With the Province depending so largely on agriculture for its livelihood it has been felt that agricultural education should be the subject of a thorough review and that agricultural schools should be established at the earliest possible date to accommodate the needs of rural youth for farm training. In the matter of land settlement, the Council considers that claims of returning service personnel should receive first consideration and that the need for providing settlement opportunities for farmers' sons be recognized. Saskatchewan citizens have shown commendable leadership and initiative in the development of co-operatives and certain recommendations regarding the possibilities of co-operative farming, education in the principles of co-operation and clarification of the position of co-operatives with respect to income tax legislation are made.

Natural Resources

Saskatchewan's natural resources, other than agriculture, promise to hold a significant place in the Provincial economy,

but much investigational work still remains to be done before their full potentialities can be realized. Accordingly topographical and geological survey work should be accelerated and specialists in geology should be attached to the Department of Natural Resources to appraise the mineral resources of the Province as they are revealed by the survey work. An expanded programme for the protection and development of the Province's forest cover is also an urgent necessity to conserve and utilize to the full this very valuable asset. Opportunities for expansion exist in the fur and fish resources of the Province and the Government is urged to inaugurate a programme to aid in reaching this objective. The Council considers that the Department of Natural Resources should, in general, stress research and the conservation of natural resources of the Province.

Communications

With the population distributed as widely as in Saskatchewan, communications hold an important place in the lives of the people. Improvements in highway and railway facilities are urged in the recommendations of the Council. The provision of completely adequate facilities is an economic necessity. The Council also considers that the increased use of the Hudson Bay Railway would yield rich dividends to Saskatchewan and urges that navigation facilities at the port be thoroughly investigated and improved where necessary. Aviation as a means of passenger travel and freight movement will undoubtedly develop in the post-war period and the Council recommends that lakes in northern Saskatchewan be surveyed to permit their safe use by amphibious planes. As a result of the depression, and more recently due to shortages of equipment, much work must be done in order to place the telephone system in a position to discharge its functions efficiently and the Council concurs in the plans which have been advanced with this end in view.

Industries

In order to broaden the base of the Provincial economy the Council considers that industrialization to the extent found feasible is a desirable development for the Province. Industries should, as far as possible, be based upon the natural products of the Province and development through private, co-operative, and in some cases Government enterprise should be encouraged. The Council considers that this encouragement should be given by an intensive programme of research and investigation and by the extension of low-interest loans through the Industrial Bank or other medium to aid self-liquidating projects where reasonable prospects for their success can be demonstrated. Recommendations are also made respecting

taxation and the freight rate structure with a view to ascertaining their effect on industrialization in the West. The Council recommends the abolition of protective tariffs, believing that they operate, on the whole, against the best interest of a properly integrated economy.

Power

Much interest was shown by witnesses appearing before the Council in the extension of electrical services to rural and small urban areas. The formulation of a complete programme of electrification requires considerable additional study and the Council urges that both the development of power and its distribution be thoroughly investigated. In order that the great advantages of electricity may be made available to the people at the earliest possible time the Council also recommends that private companies be permitted to extend their lines under certain definite agreements with the Government making possible ultimate public ownership.

Social Services

The Council has approached the question of social services with the objective of assuring all, regardless of ability to pay, of a certain minimum standard. Increases are recommended in old age pensions, pensions for the blind, allowances to mothers with dependent children and maternity grants. The Council also recommends consideration of the physically handicapped for whom at present no special provisions are made. The Council considers that a cautious approach is desirable in the matter of family allowances and does not unconditionally support the proposals which have been made in that regard. Of particular importance are recommendations respecting strengthening the Bureau of Child Protection by acquiring fully trained personnel with suitable personal qualifications.

The foregoing recommendations do not touch the problem of an integrated scheme of social security. This is strongly urged but can be achieved only with the co-operation of the entire nation.

Health and Medical Services

Considerable study has been given to the proposed health insurance legislation and the Council has recommended that the Province participate in the Federal Health Insurance scheme. Strong representations were made with respect to state medicine but in view of the financial assistance forthcoming from the Federal Government under health insurance and the lack of administrative experience in state medicine it has been considered desirable to recommend the former at this

time. No doubt the development of a complete health insurance scheme will go a long way towards achieving the objectives which state medicine strives to reach. The Council particularly commends establishing health districts with complete clinical facilities available to the people within a reasonable distance. The Council reviewed the services extended by the Department of Public Health and recommends measures to ensure adequate trained personnel to care for the present and future health needs of the people and an increase in the number of public health nurses serving the outlying portions of the Province. Detailed recommendations are also made respecting the establishment of heart clinics for children, prevention of venereal diseases, extension of inoculation and immunization work, improved and increased facilities for the care of mental cases, and the establishment of mental health clinics. Many representations were made to the Council regarding hospital facilities and it is apparent that considerable survey work should be undertaken to determine the needs and where improvements should be made. In an effort to relieve the congestion in present hospital accommodation the Council recommends that one or more nursing homes be built for the care of aged and incurable patients. It would appear that proper facilities for maternity and isolation cases are not available in many parts of the Province and the Council recommends that provision be made for complete adequacy in this respect. The Council also considers that military and air force hospitals could be of considerable value by converting them to civilian use and that close liaison should be maintained between the Provincial health authorities and the Federal Government to insure that such facilities as are of value be placed at the disposal of the people of the Province. In the matter of professional personnel it is considered that the establishment of the College of Medicine with suitable hospital and clinical facilities should be proceeded with at once and that consideration should be given to the establishment of a College of Dentistry with future consideration of Colleges of Optometry and Chiropractic. More desirable working conditions and higher remuneration for nurses are recommended to render more attractive this extremely important service. The overall objective of the recommendations of the Council has been to provide a comprehensive programme of public health activity setting as its goal the maximum efficiency and completeness of service obtainable.

Position of Labour

In the opinion of the Council, National Selective Service has performed an important service since its inauguration and should continue to function in peace-time, but the emphasis should be placed on the employment and placement service, and

the more stringent controls necessitated by war conditions should be eliminated. The Council also recommends that all labour legislation be national in scope and that the British North America Act be amended in order that this end may be achieved. Recommendations are also made with respect to reducing the hours of labour with compensatory adjustments in basic wage rates in order to maintain the living standard. Labour legislation should be more comprehensive and include domestic workers and farm labourers and all classes not now covered. Seasonal and agricultural workers and unemployment due to sickness should be included under the Unemployment Insurance Act. Benefit rates should, in the opinion of the Council, be raised and be subject to periodical review and adjustment in relation to living costs. The position of Governments in their role as employers is an important one and the Council recommends that Government agencies insist on the employment of union workers in all Government projects, and that the Provincial Public Service be classified and consideration given to increasing the remuneration of employees in the lower salary brackets. In general, it is the opinion of the Council that Governments should set the example to others in striving to earn the title of "model employers".

Education

The recommendations of the Council respecting education have as their objective improvement in the standard of teaching by placing greater emphasis on teacher training and supervision. The Council urges the early implementation of the Rowell-Sirois recommendations regarding Federal aid to insure the maintenance of a national minimum standard of education and that in the meantime the present system of equalization grants be extended to ensure at least a minimum level in rural areas. To encourage the best quality of teachers recommendations are included for increasing teachers' salaries and making superannuation provisions more attractive. Certain recommendations regarding the larger administrative unit are also made. Many representations were made to the Council respecting agricultural and vocational schools and the Council recommends the establishment of two or three agricultural schools as a post-war measure. In the matter of vocational education it is considered that further study should be made and the Council is accordingly urging upon the Government the need for a representative committee to investigate the type of training required by modern industry and the manner in which this may best be provided. Several recommendations are being made with respect to University facilities in order better to equip our provincial institution of higher learning to meet the demands which will be made upon it in post-war

years. Great interest was shown in the provision of library facilities throughout the Province. This also is a matter which the Council considers should be thoroughly canvassed. Recommendations are made regarding special classes for gifted and sub-normal children, sight-saving classes, facilities for the education of the blind and of crippled children.

Rehabilitation of Service Personnel

The Council considers that the rehabilitation of returning citizens of the Province presently in His Majesty's Forces is of paramount importance in the reconstruction programme and many of the recommendations embodied under the various headings in this Report have been formulated with the re-absorption of ex-service men and women into the economy of the Province as their main objective. Specific recommendations are included for more adequate monetary benefits upon discharge and in the matter of hospital benefits and dependents' emergency grants. The Council also recommends that the insurance principle be re-instated in the Pension Act. Preference in employment should, in the opinion of the Council, be given to war veterans and some means inaugurated to facilitate the acquisition of seniority rights by veterans entering employment. The Council considers that facilities for vocational training should be made adequate and that training of staff should be undertaken immediately in order that plans may be in complete readiness when demobilization becomes general. Special consideration is also recommended for veterans who served in the First Great War. The Council is impressed with the provisions of the Veterans' Land Act and recommends that every effort be made to acquire suitable land and that every facility be made available to the officials in charge in order that the Act may be as effective as possible in the rehabilitation of returned men. Rehabilitation measures should be widely understood and intelligently applied. The problem is above all a human one, and local rehabilitation committees, fostering active citizen interest, should be given greatly increased encouragement and support. It is also recommended that an advisory committee on rehabilitation be formed, the duties of which have been outlined in some detail in the text. In general, it is the considered opinion of the Council that measures designed for the rehabilitation of service personnel should set as their objective the removal of any prejudice to the position of the veteran by reason of his having served his country at the time of her need.

Housing

The war has brought to the fore and accentuated a condition which existed in peace-time. Poor housing is not new and

many submissions were made to the Council respecting its alleviation. The problem is difficult of solution but certain recommendations are made with a view to removing the worst features of our housing situation. It is considered that the Government should be prepared to give advisory assistance to those desiring it, particularly in the matter of providing plans. Municipalities should be encouraged to take a more active interest in housing problems and town planning legislation revised with a view to having urban centres develop with proper regard to economic, sanitary and cultural factors. Full encouragement should be given to co-operative building or housing societies and at the earliest opportunity the Provincial Government should make funds available at low interest rates for new housing units and improvement of existing units. In the opinion of the Council the funds should preferably come from the Dominion Government as one phase of a Canada-wide housing programme.

General

Some recommendations of a general nature have been included in the Report. It is the opinion of the Council that the principles of national financing of social security measures should be adopted to assure uniformity, both of the incidence of taxation and of social security standards,

with the ultimate object of a completely integrated plan being evolved. In the matter of fiscal relations it is considered that the recommendations of the Rowell-Sirois Report should be implemented at the earliest opportunity. Taxation on incomes, corporations and the estates of deceased persons should be the exclusive right of the Dominion.

Conclusion

The various suggestions and recommendations contained in this Report are not intended as a blue-print for progress and certainly they represent no finality in the matter of social relations. They represent an approach which in the opinion of the Council will give a fuller life to the people of the province. To this extent it means constructive social progress.

There is no disguising the fact that the adoption of these recommendations will involve increased activities by governmental agencies. In the opinion of the Council, however, this should not necessarily result in any decrease of human liberty. So long as these agencies keep before them the ideal morality of the infinite value of human beings there should be no fear for human freedom. The full life will not restrict liberty. It will make true freedom possible.



